

A G E N D A

GRANT COUNTY PUBLIC UTILITY DISTRICT
30 C Street SW – Commission Meeting Room
Ephrata, Washington
COMMISSION MEETING
Tuesday, June 25, 2024

An Executive Session may be called at any time for purposes authorized by the Open Public Meetings Act

- 8:30 a.m.** Executive Session
- 9:00 a.m.** Commission Convenes
Review and Sign Vouchers
Calendar Review
- 9:30 a.m.** Reports from staff
- 12:00 Noon** Lunch
- 1:00 p.m.** Safety Briefing
Pledge of Allegiance
Attendance
Public requests to discuss agenda items/non-agenda items
Correspondence – *(Does not include anonymous letters)*
Business Meeting

1. Consent Agenda

Approval of Vouchers

Meeting minutes of June 11, 2024

2. Regular Agenda

9055 – Resolution Amending Grant PUD’s Washington 2024 10-Year Conservation Potential and Two-Year Conservation Target Pursuant to RCW Chapter 19.285 and Superseding Resolution 9037.

Motion authorizing the General Manager/CEO to execute Change Order No. 6 to Contract 430-10804 with Universal Protection Services, LP dba Allied Universal Security Services, increasing the not-to-exceed contract amount by \$3,000,000.00 for a new 2 -year extension to July 2, 2026 and resetting the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for charges incurred as a result of Change Order No. 6. (3480)

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Contract 430-12331 with the Washington Department of Fish and Wildlife (WDFW), in an amount not-to-exceed \$4,162,831.00 and with a contract completion date of June 30, 2027. (3481)

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Contract 430-12306 with the Washington Department of Fish and Wildlife (WDFW), in an amount not-to-exceed \$1,295,801.00 and with a contract completion date of June 30, 2027. (3482)

3. Review Items For Next Business Meeting

XXXX – Resolution of the Commission of Public Utility District No. 2 of Grant County, Washington, Authorizing the Issuance and Sale of One or More Series of the District’s Priest Rapids Hydroelectric Project Junior Lien Revenue Bonds, in the Aggregate Principal Amount of not to exceed \$350,000,000 to Finance Improvements to the District’s Priest Rapids Hydroelectric Project; and Delegating Authority to Approve the Final Terms of Each Series of Bonds.

XXXX – Resolution Accepting a Bid and Awarding Contract 170-11949, for Supplying Pole Mounted Distribution Transformers.

4. Reports from Staff (if applicable)

Adjournment

CONSENT AGENDA

Draft – Subject to Commission Review

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

June 11, 2024

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: 614 157 417# with the following Commissioners present: Tom Flint, President; Terry Pyle, Vice-President; Larry Schaapman, Secretary; Judy Wilson, Commissioner and Nelson Cox, Commissioner.

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.

The Commission convened to review vouchers and correspondence.

The Commission calendar was reviewed.

The Commission recessed at 9:24 a.m.

The Commission resumed at 9:34 a.m.

A round table discussion was held regarding the following topics: A thank you to the line crew for the Underground Project and Soap Lake restoration to be available in the coming days.

Tom Dresser, Manager of Fish and Wildlife, presented the Fish and Wildlife Report.

Brett Lenz, Manager of Cultural Resource, shared the Cultural Resources Program Report.

Annette Lovitt, Public Affairs Officer and Chuck Allen, Senior Manager of External Affairs gave the Community Engagement Activity Report.

The Commission recessed at 11:23 a.m.

An executive session was announced at 11:30 a.m. to last until 12:55 p.m. to review performance of a public employee with legal counsel present pursuant to RCW 42.30.110(1)(g) and to discuss pending litigation with legal counsel present pursuant to RCW 42.30.110(1)(i). The executive session concluded at 12:55 p.m. and the regular session resumed.

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

Payment Number	143526	through	144068	\$7,621,518.71
Payroll Direct Deposit	238698	through	239527	\$2,675,094.61
Payroll Tax and Garnishments	20240529A	through	20240530A	\$1,154,713.24

Meeting minutes of May 28, 2024.

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

Resolution No. 9052 relative to adopting a schedule was presented to the Commission. Motion was made by Commissioner Cox and seconded by Commissioner Schaapman to approve Resolution No. 9052. After consideration, the motion passed by unanimous vote of the Commission.

RESOLUTION NO. 9052

A RESOLUTION ADOPTING A REVISED SCHEDULE OF NON-BARGAINING
UNIT POSITIONS AND SUPERSEDING RESOLUTION NO. 9048

Recitals

1. Resolution No. 9048 adopted April 4, 2024, increased the Non-Unit Salary Plan by 10%.
2. Pursuant to RCW 54.16.100 the Grant PUD Manager recommends the Commission adopt the scale of salaries to be paid for the different classes of service as set forth in the attached Exhibit A.

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

Section 1. The salary plan as set forth in Exhibit A is hereby approved and adopted.

Section 2. The Manager is authorized to make temporary changes in the salary plan of non-bargaining unit employees under their direction, until revision of the salary plan by Grant PUD's Commission, to resolve individual situations such as the addition of new job titles or grade changes for existing job titles. All salary adjustments shall have prospective effect only.

Section 3. Resolution No. 9048 is hereby superseded, and this resolution supersedes any other resolutions which are inconsistent with this resolution.

BE IT FURTHER RESOLVED that Resolution No. 9048 is hereby superseded.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 11th day of June, 2024.

Resolution No. 9053 relative to implementing and to adopt requirements was presented to the Commission. Motion was made by Commissioner Schaapman and seconded by Commissioner Cox to approve Resolution No. 9053. After consideration, the motion passed by unanimous vote of the Commission.

A RESOLUTION IMPLEMENTING ENGROSSED SUBSTITUTE HOUSE BILL 1050 TO ADOPT
RCW 39.04.320 GOVERNING APPRENTICESHIP UTILIZATION REQUIREMENTS ON
PUBLIC WORKS CONTRACTS

Recitals

1. In its 2023 Regular Session, the Washington State Legislature passed Engrossed Substitute House Bill 1050 mandating that effective July 1, 2024, no less than 15 percent of the labor hours on public works contracts awarded by a municipality with an estimated cost of \$2,000,000 or more be performed by apprentices. For contracts advertised for bid on or after July 1, 2026, the apprenticeship utilization requirements shall apply to public works contracts awarded with an estimated cost of \$1,500,000 or more. For contracts advertised for bid on or after July 1, 2028, the apprenticeship utilization requirements shall apply to public works contracts awarded with an estimated cost of \$1,000,000 or more.

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

Section 1: Public works contract specifications shall require apprenticeship utilization in accordance with RCW 39.04.320; and

Section 2: In accordance with RCW 39.04.320(2), the District is authorized to adjust the apprenticeship utilization requirements for a specific project as follows:

- The demonstrated lack of availability of apprentices in specific geographic areas; or
- A disproportionately high ratio of material costs to labor hours, which does not make feasible the required minimum levels of apprentice participation; or
- Participating contractors have demonstrated a good faith effort to comply with the requirements; or
- Other criteria the District deems appropriate, which are subject to review by the District's legislative authority.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 11th day of June, 2024.

Resolution No. 9054 relative to implementing and to adopt requirements was presented to the Commission. Motion was made by Commissioner Cox and seconded by Commissioner Wilson to approve Resolution No. 9054. After consideration, the motion passed by unanimous vote of the Commission.

A RESOLUTION ADOPTING THE LANDS SERVICES REAL PROPERTY AND PROPERTY RIGHTS
MANAGEMENT POLICY AND RESCINDING RESOLUTION NO. 8880

Recitals

1. Resolution No. 8880, adopted March 13, 2018, approved the Right of Way Policy for Transmission, Distribution, and Telecommunication Facilities.
2. Grant PUD's General Manager recommends the Commission replace the Right of Way Policy for Transmission, Distribution, and Telecommunications Facilities with the Lands Services Real Property and Property Rights Management Policy set forth in the attached Exhibit A.

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

Section 1: The Lands Services Real Property and Property Rights Management Policy as set forth in Exhibit A is hereby approved and adopted.

BE IT FURTHER RESOLVED that Resolution No. 8880 is hereby superseded.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 11th day of June, 2024.

Christopher Buchman, Customer Service Program Supervisory, gave the presentation on Amendment to Resolution 9037 | Energy Independence Act (I-937)

Trade association and committee reports were reviewed. The Commissioners reviewed future agenda items.

The Commission recessed at 1:53 p.m.

An executive session was announced at 2:00 p.m. to last until 3:00 p.m. to review performance of a public employee with legal counsel present pursuant to RCW 42.30.110(1)(g), to discuss pending litigation with legal counsel present pursuant to RCW 42.30.110(1)(i) and to discuss lease or purchase of real estate if disclosure would increase price with legal counsel pursuant to RCW 42.30.110(1)(b). The executive session concluded at 3:01 p.m. and the regular session resumed.

There being no further business to discuss, the Commission adjourned at 3:01 p.m. on June 11 and reconvened on Thursday, June 13 at 8:00 a.m. at Ephrata Middle School, 384 A ST SE, Ephrata, Washington for the purpose of attending Safety Day and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Terry Pyle, Larry Schaapman, Judy Wilson, and Nelson Cox. A copy of the notice of adjournment was posted to the Grant PUD website.

There being no further business to discuss, the Commission adjourned at 3:00 p.m. on June 13 and reconvened on Tuesday, June 18 at 8:00 a.m. at Grant PUD’s Main Headquarters Building, 30 C ST SE, Ephrata, Washington for the purpose of holding a Workshop and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Terry Pyle, Larry Schaapman, Judy Wilson, and Nelson Cox. A copy of the notice of adjournment was posted to the Grant PUD website.

There being no further business to discuss, the Commission adjourned at 3:01 p.m. on June 18 and reconvened on Tuesday, June 18 at 5:30 p.m. at Jacks at the Market, 1004 F ST SW, Quincy, Washington for the purpose of attending a Mid-C Commission/Manager dinner meeting and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Terry Pyle, Larry Schaapman, Judy Wilson, and Nelson Cox. A copy of the notice of adjournment was posted to the Grant PUD website.

There being no further business to discuss, the June 11, 2024 meeting officially adjourned at 7:45 p.m. on June 18, 2024.

Tom Flint, President

ATTEST:

Larry Schaapman, Secretary

Terry Pyle, Vice President

Judy Wilson, Commissioner

Nelson Cox, Commissioner

REGULAR AGENDA

AMENDED RESOLUTION NO. 9055

A RESOLUTION AMENDING GRANT PUD'S WASHINGTON 2024 10-YEAR CONSERVATION POTENTIAL AND TWO-YEAR CONSERVATION TARGET PURSUANT TO RCW CHAPTER 19.285 AND SUPERSEDING RESOLUTION 9037

Recitals:

1. Grant PUD has previously established a 2024 10-year conservation potential plan and two-year conservation target pursuant to Resolution No. 9037;
2. Grant PUD desires to update its 2024 ten-year conservation potential plan and two-year conservation target; and
3. A legal advertisement will be published in local newspapers notifying customers of noticed public hearing to be held on August 11, 2024 regarding Grant PUD's efforts to amend the 2024 ten-year conservation potential plan and two-year conservation target.

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

Section 1. Grant PUD has established the amended ten-year conservation potential plan of 140,072 MWH and two-year conservation target of 17,520 MWH.

Section 2. Grant PUD's biennial target is its pro rata share of its ten-year conservation potential plan.

Section 3. Grant PUD is acquiring all conservation that is cost-effective, reliable, and feasible.

Section 4. Grant PUD reviewed the plan and target as set forth in RCW 19.285.

Section 5. Resolution No. 9037 is hereby superseded.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 25th day of June, 2024.

ATTEST:

Judy Wilson, President

Tom Flint, Secretary

Nelson Cox, Vice President

Terry Pyle, Commissioner

Larry Schaapman, Commissioner

MEMORANDUM

June 11, 2024

TO: Richard Wallen, General Manager/Chief Executive Officer

VIA: Ty Ehrman, Chief Customer Officer *FTE*
Cary West, Senior Manager of Customer Solutions *CSW*

FROM: Christopher Buchmann, Customer Solutions Program Supervisor *CGOB*

SUBJECT: Amended 2024-2033 Energy Independence Act (EIA) Conservation Potential and Biennial Target

Purpose: To seek approval from the Commission of Grant PUD’s amended 2024-2033 ten-year conservation potential and biennial target per the requirements of the Energy Independence Act (AKA EIA or "I-937") as contained in RCW 19.285 and WAC 194-34, superseding Resolution No. 9037.

Background: Grant PUD’s 2024-2033 EIA Conservation Potential and Biennial Target was adopted via Resolution No. 9037 on December 12, 2023. Grant PUD was later notified by our consultant, EES Consulting, that there was an error in their calculations, which resulted in an amended report. We are requesting Commission approval to amend the 2024-2033 EIA Conservation Potential and Biennial Target accordingly.

Discussion: Grant PUD is required per the provisions of the EIA to develop a ten-year conservation potential and a biennial conservation target every two years. These are to be provided to the Commission in a public hearing after which the Commission may approve them. On June 11th, 2024, the Commission will hold a public hearing to review the amended ten-year conservation potential and biennial target. Grant PUD staff contracted with EES Consulting to prepare a Utility Specific Analysis ("USA") to assist staff efforts to determine Grant PUD’s conservation potential. From this potential Grant PUD’s biennial conservation target is determined. The tables below show the 2024-2033 ten-year potential and 2024-2025 biennial target prepared in 2024 compared to those prepared in 2015, 2017, 2019, and 2021.

Potential and Target Comparisons

	Ten Year Potential	Two year/Biennial Target
Prepared in 2015	175,550 MWH	27,418 MWH
Prepared in 2017	195,523 MWH	32,149 MWH
Prepared in 2019	218,562 MWH	35,828 MWH
Prepared in 2021	161,272 MWH	40,033 MWH
Prepared in 2024	140,072 MWH	17,520 MWH

The 2-year Biennial target has decreased from the 2021 Conservation Potential Assessment (CPA), largely due to the uncertainty of data center projects. The assessment shows potential starting around 0.88 aMW in 2024 and ramping up to 1.93 by 2029 and then down over the period due to uncertainty in data center savings. In the other sectors, potential also gradually decreases after 2024 as the remaining retrofit measure opportunities diminish over time.

The table below shows the future Cost Effective Potential for Grant PUD. Note the quantities shown below are cumulative, not annual aMW potential.

Cost-Effective Potential (aMW)				
	2-Year	4-Year	10-Year	20-Year
Residential	0.17	0.38	1.47	3.12
Commercial	0.66	1.34	3.34	6.52
Industrial (including Data Centers)	1.00	2.68	9.69	19.96
Agricultural	0.18	0.49	1.49	3.01
Total	2.00	4.89	15.99	32.61

OTHER LEGISLATIVE CONSIDERATIONS: Washington state enacted several laws that impact conservation planning. Washington HB 1444 enacts efficiency standards for a variety of appliances. Washington also enacted a clean energy law, SB 5116, commonly referred to as the Clean Energy Transformation Act (CETA). CETA (2019) requires the use of specific values for avoided greenhouse gas emissions. The study follows the CETA requirements to value energy efficiency savings at the prescribed value established by the Department of Ecology. Finally, CETA requires all retail sales of electricity be greenhouse gas neutral by 2030 and greenhouse gas free by 2045. This provision has been incorporated into the assumptions of the CPA. Specifically, this impacts the avoided cost of conservation, as described in detail in the CPA report.

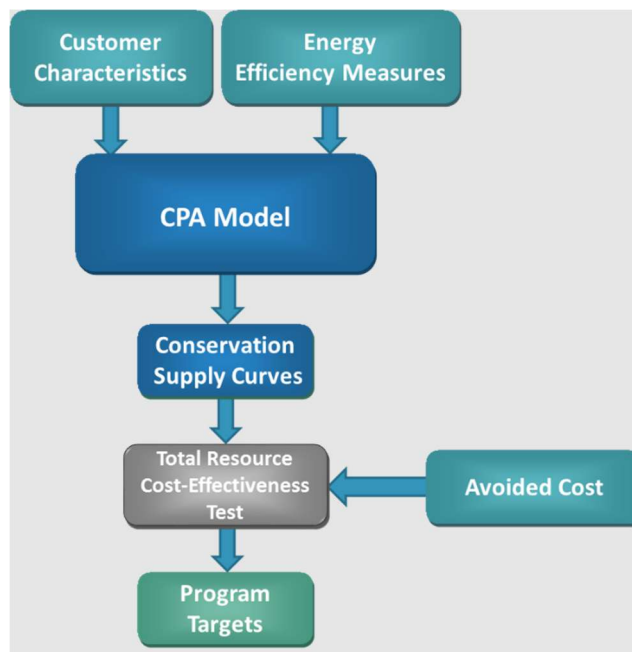
STUDY UNCERTAINTIES: The savings estimates presented in the study are subject to the uncertainties associated with the input data. The study utilized the best available data at the time of its development; however, the results of future studies will change as the planning environment evolves. Specific areas of uncertainty include the following:

- **Customer Characteristic Data** – Residential and commercial building data and appliance saturations are in many cases based on regional studies and surveys. There are uncertainties related to the extent that Grant PUD’s service area is similar to that of the region, or that the regional survey data represents the population.
- **Measure Data** – In particular, savings and cost estimates (when comparing to current market conditions), as prepared by the Northwest Power and Conservation Council (Council) and the Regional Technical Forum (RTF), will vary across the region. In some cases, measure applicability or other attributes have been estimated by the Council or the RTF based on professional judgment or limited market research.
- **Market Price Forecasts** – Market prices (and forecasts) are continually changing. The market price forecasts for electricity and natural gas utilized in this analysis represent a snapshot in time. Given a different snapshot in time, the results of the analysis would vary. However, different avoided cost scenarios are included in the analysis to consider the sensitivity of the results to fluctuating market prices over the study period.
- **Utility System Assumptions** – Credits have been included in this analysis to account for the avoided costs of transmission and distribution system expansion. Though potential transmission and distribution system cost savings are dependent on local conditions, the Council considers these credits to be representative estimates of these avoided costs. A value for generation capacity was also included but may change as the Northwest market continues to evolve.
- **Discount Rate** – The Council develops a real discount rate as well as a finance rate for each power plan. The finance rate is based on the relative share of the cost of conservation and the cost of capital for the various program sponsors. The Council has estimated these figures using the most current available information. This study reflects the current borrowing market although changes in borrowing rates will likely vary over the study period.

- **Forecasted Load and Customer Growth** – The CPA bases the 20-year potential estimates on forecasted loads and customer growth provided by the utility. These forecasts include a level of uncertainty especially considering the recovery from COVID related load impacts.
- **Load Shape Data** – The Council provides conservation load shapes for evaluating the timing of energy savings. In practice, load shapes will vary by utility based on weather, customer types, and other factors. The assessment uses the hourly load shapes used in the 2021 Plan to estimate peak demand savings over the planning period, based on shaped energy savings. Since the load shapes are a mix of older Northwest and California data, peak demand savings presented in this report may vary from actual peak demand savings.
- **Frozen Efficiency** – Consistent with the Council’s methodology, the measure baseline efficiency levels and end-using devices do not change over the planning period. In addition, it is assumed that once an energy efficiency measure is installed, it will remain in place over the remainder of the study period.

Due to these uncertainties and the changing environment, under the EIA, qualifying utilities must update their CPAs every two years to reflect the best available information.

BASIC MODELING METHODOLOGY: The basic methodology used for the assessment is illustrated below. A key factor is the kilowatt hours saved annually from the installation of an individual energy efficiency measure. The savings from each measure is multiplied by the total number of measures that could be installed over the life of the program. Savings from each individual measure are then aggregated to produce the total potential.



Conservation Potential Assessment Process

CUSTOMER CHARACTERISTIC DATA: Assessment of customer characteristics includes estimating both the number of locations where a measure could be feasibly installed as well as the share—or saturation—of measures that have already been installed. For the analysis, the characterization of our baseline was determined using our historical data, the Northwest Energy Efficiency Alliance’s (NEEA) commercial and residential building stock assessments, and census data. Details of data sources and assumptions are described for each sector in greater detail in the full report.

The assessment primarily sourced baseline measure saturation data from the Council’s 2021 Seventh Plan measure workbooks. The Council’s data was developed from NEEA’s Building Stock Assessments, studies, market research and other sources. This data was updated with NEEA’s 2016 Residential Building Stock Assessment and Grant PUD’s historic conservation achievement data, where applicable.

AVOIDED COST: Each component of the avoided cost of energy efficiency measure savings is described below. Additional information regarding the avoided cost forecast is included in the full report, in Appendix IV.

Energy: The avoided cost of energy is the cost avoided through the acquisition of energy efficiency in lieu of other resources. Avoided costs are used to value energy savings benefits when conducting cost effectiveness tests and are included in the numerator in a benefit-cost test. The avoided costs typically include energy-based values (\$/MWh) and values associated with the demand savings (\$/kW) provided by energy efficiency. These energy benefits are often based on the cost of a generating resource, a forecast of market prices, or the avoided resource identified in the IRP process.

Social Cost of Carbon: The social cost of carbon is a cost society incurs when fossil fuels are burned to generate electricity. Both the EIA rules and CETA requires CPAs include the social cost of carbon when evaluating cost effectiveness using the total resource cost test (TRC). CETA further specifies the social cost of carbon values to be used in conservation and demand response studies. These values are shown in the table below and were the same values used in the 2023 CPA.

Social Cost of Carbon Values		
Year in Which Emissions Occur or Are Avoided	Social Cost of Carbon Dioxide (in 2018 dollars per metric ton)	Social Cost of Carbon Dioxide (in 2023 dollars per metric ton)
2020	\$74	\$80
2025	\$81	\$88
2030	\$87	\$94
2035	\$93	\$101
2040	\$100	\$108

According to WAC 194-40-110, values may be adjusted for any taxes, fees or costs incurred by utilities to meet portfolio mandates. For example, the social cost of carbon is the full value of carbon emissions which includes the cost to utilities and ratepayers associated with moving to non-emitting resources. Rather than adjust the social cost of carbon for the cost of Renewable Energy Credits (RECs) or renewable energy, the values for RECS and renewable energy are excluded from the analysis to avoid double counting.

The emissions intensity of the marginal resource (market) is used to determine the \$/MWh value for the social cost of carbon. Ecology states that unspecified resources should be given a carbon intensity value of 0.437 metric tons of CO₂e/MWh of electricity (0.874 lbs/kWh). This is an average annual value applied to in all months in the conservation potential model. The resulting levelized cost of carbon is \$34/MWh over the 20-year study.

Transmission and Distribution System: The EIA requires that deferred capacity expansion benefits for transmission and distribution systems be included in the assessment of cost effectiveness. To account for the value of deferred transmission and distribution system expansion, a distribution system credit value of \$8.53/kW-year and a transmission system credit of \$3.83/kw-year were applied to peak savings from conservation measures, at the time of the regional transmission and Grant PUD’s local distribution

system peaks (adjusted to 2023 dollars). These values were developed by Council staff in preparation for the 2021 Power Plan.

Generation Capacity: The District's marginal cost for generation capacity is estimated using a benchmark: BPA demand rates. While these rates don't directly apply to the District, they are a good representation of the marginal cost of demand in the region. BPA demand rates are escalated 3% each rate period (every two years). Over the 20-year analysis period, the resulting cost of avoided capacity is \$104/kW-year (2023\$) in levelized terms.

In the Council's 2021 Power Plan, a generation capacity value of \$143/kW-year was explicitly calculated (2023). This value is used in the high scenario.

Risk: With the generation capacity value explicitly defined, the Council's analysis found a risk credit did not need to be defined as part of its cost-effectiveness test. In the CPA, risk was modeled by varying the base case input assumptions. In doing so, the CPA addresses the uncertainty of the inputs and looks at the sensitivity of the results. The avoided cost components that were varied included the energy prices and generation capacity value. Through the variance of these components, implied risk credits of up to \$11/MWh and \$39/kW-year were included in the avoided cost. Note the capacity value of energy efficiency measures is associated with more uncertainty compared with the energy value. Because of the upcoming implementation of the energy imbalance market (EIM) in the Pacific Northwest, and increased renewables in the region, capacity values are expected to be more volatile compared with energy market prices.

Additional information regarding the avoided cost forecast and risk mitigation credit values is included in the full report in Appendix IV.

Power Planning Act Credit: Finally, a 10% benefit was added to the avoided cost as required by the Pacific Northwest Electric Power Planning and Conservation Act.

Grant PUD plans to continue to invest in energy efficiency by offering incentives to all sectors. The results of the CPA will help Energy Services structure energy efficiency program offerings, establish appropriate incentive levels, comply with the EIA and CETA requirements and provide continued energy efficiency as a customer service.

Justification: Grant PUD staff worked with EES Consulting to identify cost effective conservation as prescribed by the EIA. The analysis performed by EES Consulting is similar in scope to analyses they have done with other utilities in the State with details and numbers unique to Grant PUD.

Financial Consideration: Energy Services has worked with Wholesale Marketing Supply Department, within the scope of the EIA rules to identify Grant PUD's cost-effective conservation. This analysis limits Grant PUD's exposure to the penalties outlined in the EIA.

Recommendation: We recommend the Commission approve, after the public hearing, the amended 2024 ten year conservation potential and biennial conservation target, superseding Resolution No. 9037. A Resolution is provided for that purpose.

Legal Review: See attached e-mail.

PREPARED BY EES CONSULTING

Grant County Public Utility District

Amended
***Conservation Potential Assessment 2024-
2043***
Final Report
May 3, 2024





Amber Gschwend, Managing Director
amber.gschwend@gdsassociates.com

May 3, 2024

Mr. Chris Buchmann
Grant County Public Utility District
P.O. Box 1519
Moses Lake, WA 98837

SUBJECT: 2023 Conservation Potential Assessment – Final Report

Dear Mr. Buchmann:

Please find attached the Amended Conservation Potential Assessment for 2024-2043.

The amended potential estimated for the 2024-2025 biennium is 2.00 aMW.

Very truly yours,

A handwritten signature in blue ink that reads 'AGschwend'.

Amber Gschwend
Managing Director, EES Consulting

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1 Executive Summary

This report describes the methodology and results of the Amended Conservation Potential Assessment (CPA) Grant County Public Utility District (the District). This assessment provides estimates of energy savings by sector for the period 2024 to 2043. The assessment considers a wide range of conservation resources that are reliable, available, and cost-effective within the 20-year planning period.

1.1 BACKGROUND

The District provides electricity service to approximately 47,990 customers located in Grant County, Washington. Over half of the District's load requirements are for serving commercial and industrial customers. The District has completed conservation potential assessments every two years since the Energy Independence Act (EIA) was effective in 2010. The EIA requires that utilities with more than 25,000 customers (known as qualifying utilities) pursue all cost-effective conservation resources and meet conservation targets set using a utility-specific conservation potential assessment methodology.

Washington's Energy Independence Act (EIA), effective January 1, 2010, requires that utilities with more than 25,000 customers (known as qualifying utilities) pursue all cost-effective conservation resources and meet conservation targets set using a utility-specific conservation potential assessment methodology.

The EIA sets forth specific requirements for setting, pursuing, and reporting on conservation targets. The methodology used in this assessment complies with RCW 19.285.040 and WAC 194-37-070 Section 5 parts (a) through (d) and is consistent with the methodology used by the Northwest Power and Conservation Council (Council) in developing the 2021 Power Plan. Thus, this Conservation Potential Assessment will support the District's compliance with EIA requirements.

This assessment was built on the technical workbooks developed for the Final 2021 Power Plan. The primary model assumptions included the following changes since the previous study:

- **Avoided Costs**
 - Recent forecast of power market prices prepared by the Council in April 2023
 - Avoided generation capacity value updated with recent wholesale rates
- **Updated Customer Characteristics Data**
 - Residential home counts
 - Commercial floor area based on recent load growth
 - Industrial sector consumption based on recent load growth
- **Measure Updates**
 - Measure savings, costs, and lifetimes were updated based on the latest data available the 2021 Power Plan supply curves
- **Accounting for Recent Achievements**
 - Internal programs
 - NEEA programs

The first step of this assessment was to carefully define and update the planning assumptions using the new data. The Base Case conditions were defined as the most likely market conditions over the planning

horizon, and the conservation potential was estimated based on these assumptions. Additional scenarios were also developed to test a range of conditions.

1.2 RESULTS

Table 1-1 shows the high-level results of this assessment, the cost-effective potential by sector in 2, 4, 10, and 20-year increments. The total 20-year energy efficiency potential is 32.61 aMW. The most important numbers per EIA are the 10-year potential of 15.99 aMW, and the two-year potential of 2.00 aMW. These numbers are also illustrated in Figure 1-1 below.

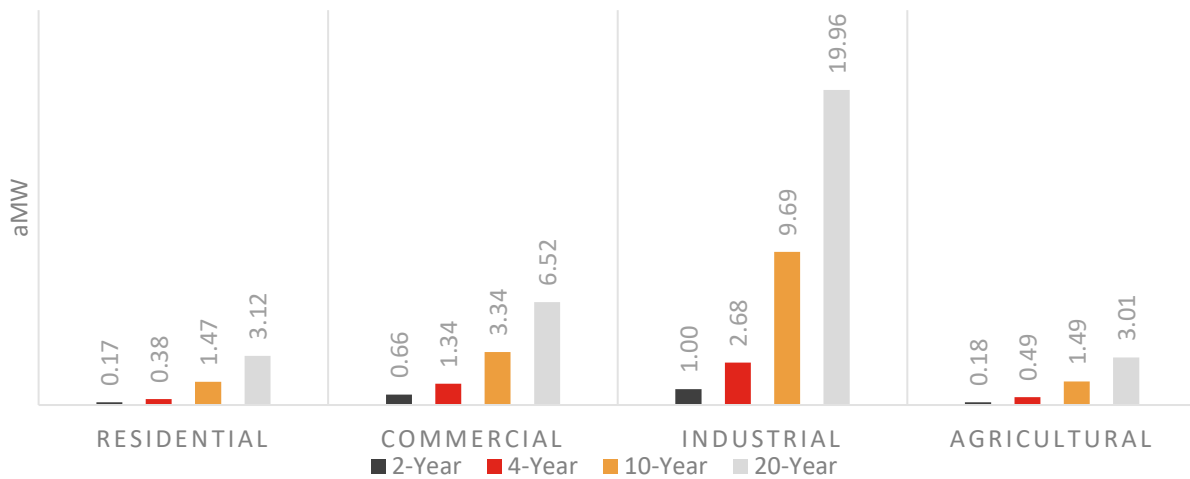
These estimates include energy efficiency achieved through the District’s own utility programs and through its share of the Northwest Energy Efficiency Alliance (NEEA) accomplishments. Some of the potential may be achieved through code and standards changes, especially in later years. In some cases, the savings from those changes will be quantified by NEEA or through BPA’s Momentum Savings work.

TABLE 1-1: COST-EFFECTIVE POTENTIAL (aMW)

	2-Year	4-Year	10-Year	20-Year
Residential	0.17	0.38	1.47	3.12
Commercial	0.66	1.34	3.34	6.52
Industrial (including data centers)	1.00	2.68	9.69	19.96
Agricultural	0.18	0.49	1.49	3.01
Total	2.00	4.89	15.99	32.61

Note: Numbers in this table and others throughout the report may not add to total due to rounding.

FIGURE 1-1: COST-EFFECTIVE ENERGY EFFICIENCY POTENTIAL ESTIMATE



Energy efficiency also has the potential to reduce peak demands. Estimates of peak demand savings are calculated for each measure using the Council’s ProCost tool, which uses hourly load profiles developed for the 2021 Power Plan and a District-specific definition of when peak demand occurs. These unit-level estimates are then aggregated across sectors and years in the same way that energy efficiency measure savings potential is calculated. The reductions in peak demand provided by energy efficiency are summarized in Table 1-2 below.

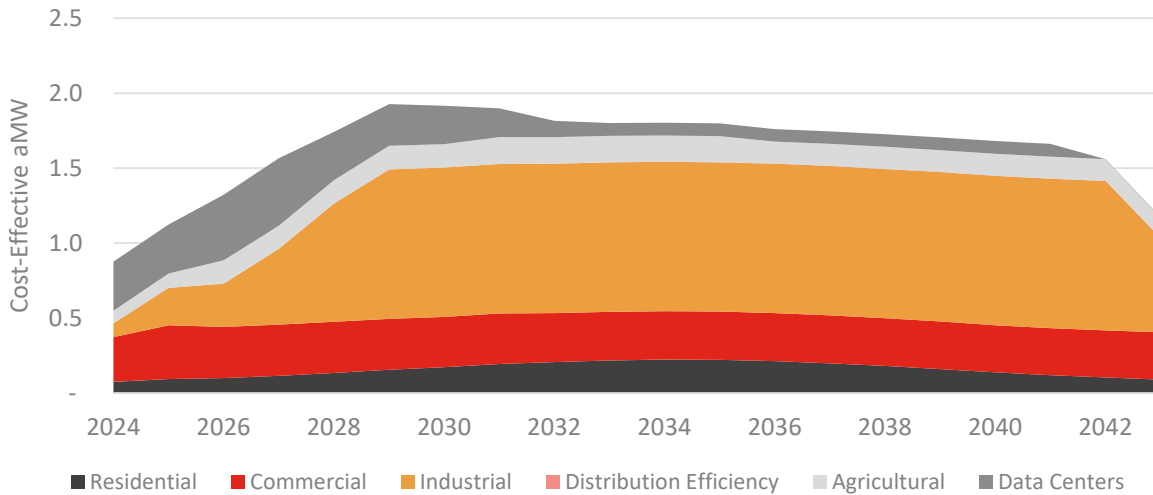
The savings from most energy efficiency measures are concentrated in those periods when energy is being used, and not evenly throughout the day. Thus, the peak demand reduction, measured in MW, is greater than the annual average energy savings. The District’s annual peak occurs most frequently on summer evenings, between 4 and 6 PM. In addition to these peak demand savings, demand savings would occur in varying amounts throughout the year.

TABLE 1-2: COST-EFFECTIVE DEMAND SAVINGS (MW)

	2-Year	4-Year	10-Year	20-Year
Residential	0.53	1.22	4.88	10.96
Commercial	0.53	1.07	2.64	5.04
Industrial	1.05	2.86	10.78	22.58
Agricultural	0.02	0.05	0.29	0.70
Total	2.13	5.20	18.60	39.29

The 20-year energy efficiency potential is shown on an annual basis in Figure 1-2. This assessment shows potential starting around 0.88 aMW in 2024 and ramping up to 1.93 by 2029 and then down over the period due to uncertainty in data center savings. In the other sectors, potential also gradually decreases after 2024 as the remaining retrofit measure opportunities diminish over time.

FIGURE 1-2: ANNUAL COST-EFFECTIVE ENERGY EFFICIENCY POTENTIAL ESTIMATE



The largest share of future savings potential is projected to be from large data center projects. The savings potential estimated in the first 2 years is based on both historic levels and the projects with planned completion dates in 2024 and 2025. These larger projects take significant lead time to develop and complete. While the District has historically relied on data center projects in meeting its targets, future savings potential is uncertain. The estimates for 2026 and beyond are based on average historic values that decline over the 20-year period. Future savings will depend significantly on future load growth, which is inherently impacted by multiple factors and uncertainties. The District will continue to update this study in future reporting periods with the best available information.

The second largest share of conservation is available in the District’s commercial sector. The potential in the commercial sector is higher compared with the potential estimated in the 2021 CPA. The District has also achieved significant savings in lighting measures in recent years, leaving limited remaining savings.

Savings in the commercial sector are spread across numerous end uses, but the primary areas for opportunity are in the HVAC end use. Notable measures in this area include:

- Residential Sized and Commercial-Sized Heat Pump Water Heaters
- Heat Recovery Ventilation
- Chillers and AC
- Commercial Lighting
- Refrigeration

Only 10% of the potential is in the residential sector. The largest contributing measure categories for residential applications include water heating and HVAC. Measures with notable potential in this end use include:

- Smart Thermostat
- Low Flow Shower Heads Efficiency 1.5 gallons per minute (gpm) or better
- Faucet Aerators
- Water Heater Circulator Controls and Circulators
- Air Source Heat Pump

This study identified lower potential in the industrial sector relative to the 2021 CPA due mostly to customer participation in energy efficiency programs.

1.3 COMPARISON TO PREVIOUS ASSESSMENT

Table 1-3 shows a comparison of the 2, 10, and 20-year Base Case conservation potential by customer sector for this assessment and the results of the District’s 2021 CPA.

TABLE 1-3: COMPARISON OF 2021 CPA AND 2023 CPA COST-EFFECTIVE POTENTIAL

	2-Year			10-Year			20-Year		
	2021	2023	% Change	2021	2023	% Change	2021	2023	% Change
Residential	0.13	0.17	31%	2.57	1.47	-43%	7.01	3.12	-55%
Commercial	0.43	0.66	53%	6.63	3.34	-50%	20.68	6.52	-68%
Industrial	3.98	1.00	-75%	8.71	9.69	11%	18.13	19.96	10%
Agricultural	0.02	0.18	797%	0.50	1.49	199%	1.33	3.01	126%
Total	4.56	2.00	-56%	18.41	15.99	-13%	47.15	32.61	-31%

**Note that the 2021 columns refer to the CPA completed in 2021 for the time period of 2022 through 2041. The 2023 assessment is for the timeframe: 2024 through 2043.*

The change in conservation potential estimated since the 2021 study is the result of several changes to the input assumptions, including measure data and avoided cost assumptions. Additionally, new measures were added to the assessment and ramp rates were adjusted to account for program maturity, data center growth, lingering COVID impacts, and 2021 Power Plan assumptions. A detailed analysis is provided in the Results section of this study.

1.3.1 Measure Data

Measure data was updated to include the Final 2021 Power Plan supply curve data.

1.3.2 Avoided Cost

An updated forecast of market prices was used to value energy savings. This forecast is lower than the forecast used in the 2021 assessment. Other avoided cost assumptions remained largely the same.

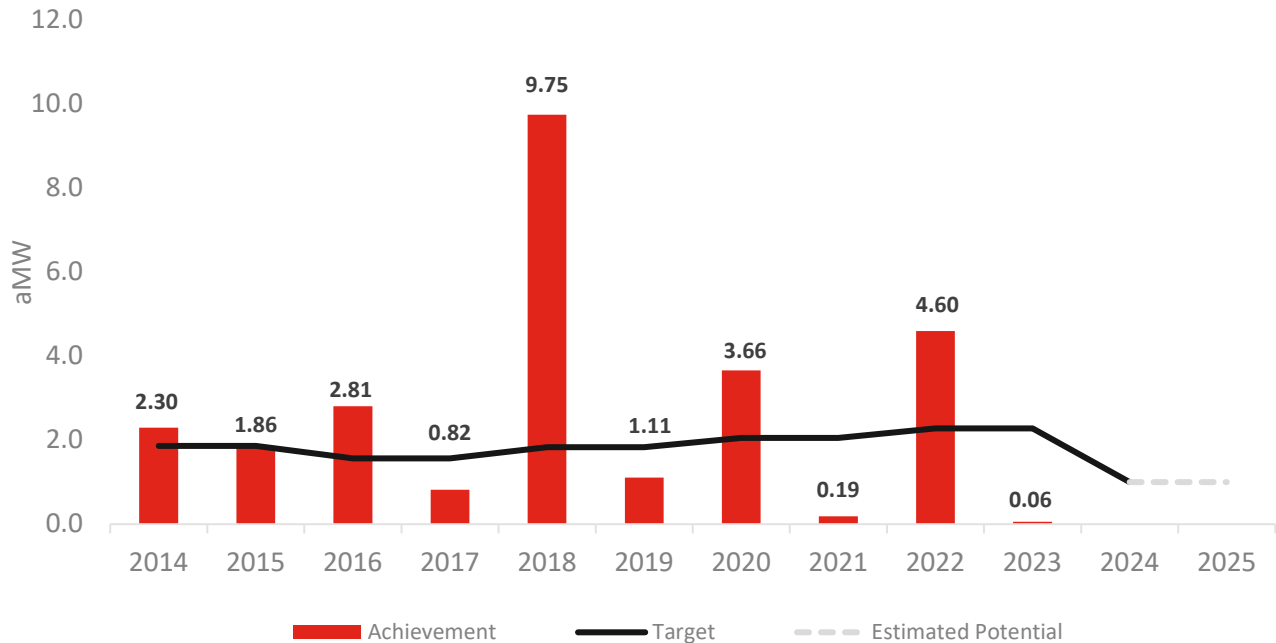
1.3.3 Customer Characteristics

No changes were made from the last CPA. However, growth in usage and number of customers was accounted for in the base year assumptions.

1.4 TARGETS AND ACHIEVEMENT

Figure 1-3 compares the District’s historic achievement with its targets. The estimated potential for 2024 and 2025 is based on the Base Case scenario presented in this report and represents approximately an 56% reduction over the 2022-23 biennium. A decrease was expected based on higher efficiency baselines since the 2021 Power Plan was finalized plus the lower value of energy based on the Council’s 2023 market price forecast. The figure below also shows that the District has consistently met its biennial energy efficiency targets, and that the potential estimates presented in this report are achievable through the District’s various programs and the District’s share of NEEA savings.

FIGURE 1-3: HISTORIC ACHIEVEMENT AND TARGETS



1.5 CONCLUSION

This report summarizes the CPA conducted for the District for the 2024 to 2043 timeframe. Many components of the CPA are updated from previous CPA models including items such as energy market price forecast, code and standard changes, recent conservation achievements, revised savings values and ramp rates for RTF and Council measures, and multiple scenario analyses.

The near-term results of this assessment are lower than the previous assessment, primarily due to the large amount of efficiency already achieved both regionally and by the District and the updated efficient baselines resulting from building codes and the 2021 Power Plan baselines. The results show a total 10-year cost-effective potential of 15.99 aMW and a two-year potential of 2.00 aMW for the 2024-25 biennium, which is a 56% decrease from the target for the previous biennium. This decrease is due primarily to reduced cost-effectiveness for some measures, program achievements, adjustments for data center potential, and updated program ramp rates that account slower adoption post COVID-19.

2 Introduction

2.1 OBJECTIVES

The objective of this report is to describe the results of the Grant County Public Utility District (the District) 2023 Electric Conservation Potential Assessment (CPA). This assessment provides estimates of energy savings by sector for the period 2024 to 2043, with the primary focus on the initial 10 years. This analysis has been conducted in a manner consistent with requirements set forth in RCW 19.285 (EIA) and 194-37 WAC (EIA implementation) and Washington Clean Energy Transformation Act (CETA) and is part of the District's compliance documentation. The results and guidance presented in this report will also assist the District in strategic planning for its conservation programs. Finally, the resulting conservation supply curves can be used in the District's Integrated Resource Plan (IRP).

The conservation measures used in this analysis are based on the measures that were included in the Council's 2021 Power Plan. The assessment considered a wide range of conservation resources that are reliable, available, and cost effective within the 20-year planning period.

2.2 ELECTRIC UTILITY RESOURCE PLAN REQUIREMENTS

According to Chapter RCW 19.280, utilities with at least 25,000 retail customers are required to develop IRPs by September 2008 and biennially thereafter. The legislation mandates that these resource plans include assessments of commercially available conservation and efficiency measures. This CPA is designed to assist in meeting these requirements for conservation analyses. The results of this CPA may be used in the next IRP due to the state by September 2024. More background information is provided below.

2.3 ENERGY INDEPENDENCE ACT

Chapter RCW 19.285, the Energy Independence Act, requires that, "each qualifying utility pursue all available conservation that is cost-effective, reliable and feasible." The timeline for requirements of the Energy Independence Act is detailed below:

- By January 1, 2010 – Identify achievable cost-effective conservation potential through 2019 using methodologies consistent with the Pacific Northwest Power and Conservation Council's (Council) latest power planning document.
- Beginning January 2010, each utility shall establish a biennial acquisition target for cost-effective conservation that is no lower than the utility's pro rata share for the two-year period of the cost-effective conservation potential for the subsequent ten years.
- On or before June 1, 2012, each utility shall submit an annual conservation report to the department (the Department of Commerce or its successor). The report shall document the utility's progress in meeting the targets established in RCW 19.285.040.
- Beginning on January 1, 2014, cost-effective conservation achieved by a qualifying utility in excess of its biennial acquisition target may be used to help meet the immediately subsequent two biennial acquisition targets, such that no more than twenty percent of any biennial target may be met with excess conservation savings.

- Beginning January 1, 2014, a qualifying utility may use conservation savings in excess of its biennial target from a single large facility to meet up to an additional five percent of the immediately subsequent two biennial acquisition targets.¹

This report summarizes the preliminary results of a comprehensive CPA conducted following the requirements of the EIA and additions made by the passage of CETA. A checklist of how this analysis meets EIA requirements is included in Appendix III.

2.4 OTHER LEGISLATIVE CONSIDERATIONS

Washington state enacted several laws that impact conservation planning. Washington HB 1444 enacts efficiency standards for a variety of appliances. Washington also enacted a clean energy law, SB 5116. CETA (2019) requires the use of specific values for avoided greenhouse gas emissions. This study follows the CETA requirements to value energy efficiency savings at the prescribed value established by the Department of Ecology. Finally, CETA requires that all sales of electricity be greenhouse gas neutral by 2030 and greenhouse gas free by 2045. This provision has been incorporated into the assumptions of this CPA. Specifically, this impacts the avoided cost of conservation, as described in Appendix IV.

2.5 STUDY UNCERTAINTIES

The savings estimates presented in this study are subject to the uncertainties associated with the input data. This study utilized the best available data at the time of its development; however, the results of future studies will change as the planning environment evolves. Specific areas of uncertainty include the following:

- Customer Characteristic Data – Residential and commercial building data and appliance saturations are in many cases based on regional studies and surveys. There are uncertainties related to the extent that the District’s service area is similar to that of the region, or that the regional survey data represents the population.
- Measure Data – In particular, savings and cost estimates (when comparing to current market conditions), as prepared by the Council and RTF, will vary across the region. In some cases, measure applicability or other attributes have been estimated by the Council or the RTF based on professional judgment or limited market research.
- Market Price Forecasts – Market prices (and forecasts) are continually changing. The market price forecasts for electricity and natural gas utilized in this analysis represent a snapshot in time. Given a different snapshot in time, the results of the analysis would vary. However, different avoided cost scenarios are included in the analysis to consider the sensitivity of the results to fluctuating market prices over the study period.
- Utility System Assumptions – Credits have been included in this analysis to account for the avoided costs of transmission and distribution system expansion. Though potential transmission and distribution system cost savings are dependent on local conditions, the Council considers these credits

¹ The EIA requires that the savings must be cost-effective and achieved within a single biennial period at a facility whose average annual load before conservation exceeded 5 aMW. In addition, the law requires that no more than 25% of a biennial target may be met with excess conservation savings, inclusive of provisions listed in this section.

to be representative estimates of these avoided costs. A value for generation capacity was also included but may change as the Northwest market continues to evolve.

- Discount Rate – The Council develops a real discount rate as well as a finance rate for each power plan. The finance rate is based on the relative share of the cost of conservation and the cost of capital for the various program sponsors. The Council has estimated these figures using the most current available information. This study reflects the current borrowing market although changes in borrowing rates will likely vary over the study period.
- Forecasted Load and Customer Growth – The CPA bases the 20-year potential estimates on forecasted loads and customer growth provided by the utility. These forecasts include a level of uncertainty especially considering the recovery from COVID related load impacts.
- Load Shape Data – The Council provides conservation load shapes for evaluating the timing of energy savings. In practice, load shapes will vary by utility based on weather, customer types, and other factors. This assessment uses the hourly load shapes used in the 2021 Plan to estimate peak demand savings over the planning period, based on shaped energy savings. Since the load shapes are a mix of older Northwest and California data, peak demand savings presented in this report may vary from actual peak demand savings.
- Frozen Efficiency – Consistent with the Council’s methodology, the measure baseline efficiency levels and end-using devices do not change over the planning period. In addition, it is assumed that once an energy efficiency measure is installed, it will remain in place over the remainder of the study period.

Due to these uncertainties and the changing environment, under the EIA, qualifying utilities must update their CPAs every two years to reflect the best available information.

2.6 COVID IMPACTS

Impacts from COVID-19 have been incorporated into this study in various ways such as:

- Load levels have largely recovered since the 2020 pandemic. The baseline load and customer counts reflect current and future usage levels.
- Ramp rates, in some cases, were adjusted due to the slowdown of program uptake since the pandemic began. At first, projects were stopped due to concerns over spreading the virus. In addition to the lower participation rates, supply chain issues have delayed many projects. Largely, the 2021 Power Plan draft ramp rates were applied for each measure; however, some measure ramp rates were slowed to reflect recent achievements despite the District’s efforts to promote programs.

The above considerations have been modeled in this study.

2.7 REPORT ORGANIZATION

The report is organized with the following main sections:

- Methodology – CPA methodology along with some of the overarching assumptions
- Recent Conservation Achievement – The District’s recent achievements and current energy efficiency programs
- Customer Characteristics – Housing and commercial building data for updating the baseline conditions
- Results – Energy Savings and Costs – Primary base case results
- Scenario Results – Results of all scenarios
- Summary
- References & Appendices

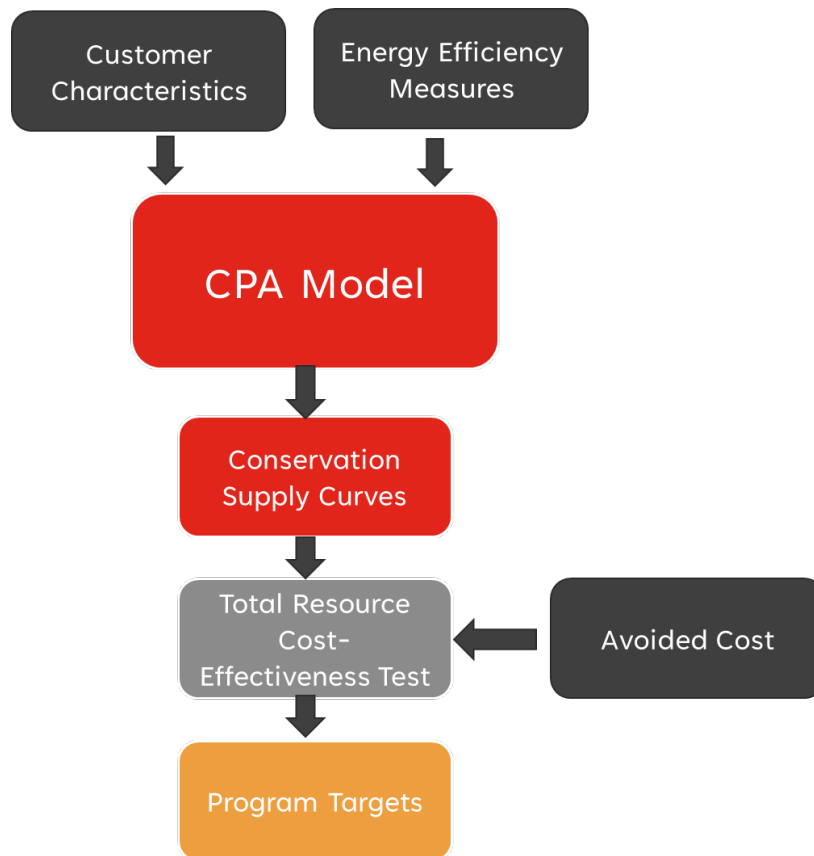
3 CPA Methodology

This study is a comprehensive assessment of the energy efficiency potential in the District’s service area. The methodology complies with RCW 19.285.040 and WAC 194-37-070 Section 5 parts (a) through (d) and is consistent with the methodology used by the Northwest Power and Conservation Council (Council) in developing the 2021 Power Plan. This section provides a broad overview of the methodology used to develop the District’s conservation potential target. Specific assumptions and methodology as they pertain to compliance with the EIA and CETA are provided in Appendix III of this report.

3.1 BASIC MODELING METHODOLOGY

The basic methodology used for this assessment is illustrated in Figure 3-1. A key factor is the kilowatt hours saved annually from the installation of an individual energy efficiency measure. The savings from each measure are multiplied by the total number of measures that could be installed over the life of the program. Savings from each individual measure are then aggregated to produce the total potential.

FIGURE 3-1: CONSERVATION POTENTIAL ASSESSMENT PROCESS



3.2 CUSTOMER CHARACTERISTIC DATA

Assessment of customer characteristics includes estimating both the number of locations where a measure could be feasibly installed as well as the share—or saturation—of measures that have already been installed. For this analysis, the characterization of the District’s baseline was determined using data

provided by the District, NEEA’s commercial and residential building stock assessments, and census data. Details of data sources and assumptions are described for each sector later in the report.

This assessment primarily sourced baseline measure saturation data from the Council’s 2021 Plan measure workbooks. The Council’s data was developed from NEEA’s Building Stock Assessments, studies, market research and other sources. This data was updated with NEEA’s 2016 Residential Building Stock Assessment and the District’s historic conservation achievement data, where applicable. The District’s historic achievement is discussed in detail in the next section.

3.3 ENERGY EFFICIENCY MEASURE DATA

The characterization of efficiency measures includes measure savings, costs, and lifetime. Other features, such as measure load shape, operation and maintenance costs, and non-energy benefits are also important for measure definition. The Council’s 2021 Power Plan is the primary source for conservation measure data.

The measure data includes adjustments from raw savings data for several factors. The effects of space-heating interaction, for example, are included for all lighting and appliance measures, where appropriate. For example, if an electrically heated house is retrofitted with efficient lighting, the heat that was originally provided by the inefficient lighting will have to be made up by the electric heating system. These interaction factors are included in measure savings data to produce net energy savings. Other financial-related data needed for defining measure costs and benefits include discount rate, line losses, and deferred capacity-expansion benefits.

A list of measures by end-use is included in Appendix VI.

3.4 TYPES OF POTENTIAL

Once the customer characteristics and energy efficiency measures are fully described, energy efficiency potential can be quantified. Three types of potential are used in this study: technical, achievable, and economic or cost-effective potential. Technical potential is the theoretical maximum efficiency available in the service territory if cost and market barriers are not considered. Market barriers and other consumer acceptance constraints reduce the total potential savings of an energy efficient measure. When these factors are applied, the remaining potential is called the achievable potential. Economic potential is a subset of the achievable potential that has been screened for cost effectiveness through a benefit-cost test. Figure 3-2 illustrates the four types of potential followed by more detailed explanations.

FIGURE 3-2: TYPES OF ENERGY EFFICIENCY POTENTIAL²



Technical – Technical potential is the amount of energy efficiency potential that is available, regardless of cost or other technological or market constraints, such as customer willingness to adopt a given measure. It represents the theoretical maximum amount of energy efficiency that is possible in a utility’s service territory absent these constraints.

Estimating the technical potential begins with determining a value for the energy efficiency measure savings. Additionally, the number of applicable units must be estimated. Applicable units are the units across a service territory where the measure could feasibly be installed. This includes accounting for units that may have already been installed. The value is highly dependent on the measure and the housing stock. For example, a heat pump measure may only be applicable to single family homes with electric space heating equipment. A saturation factor accounts for measures that have already been completed.

In addition, technical potential considers the interaction and stacking effects of measures. For example, interaction occurs when a home installs energy efficient lighting and the demands on the heating system rise due to a reduction in heat emitted by the lights. If a home installs both insulation and a high-efficiency heat pump, the total savings of these stacked measures is less than if each measure were installed individually because the demands on the heating system are lower in a well-insulated home. Interaction is addressed by accounting for impacts on other energy uses. Stacked measures within the same end use are often addressed by considering the savings of each measure as if it were installed after other measures that impact the same end use.

The total technical potential is often significantly more than the amount of achievable and economic potential. The difference between technical potential and achievable potential is a result of the number

² Reproduced from U.S. Environmental Protection Agency. *Guide to Resource Planning with Energy Efficiency*. Figure 2-1, November 2007.

of measures assumed to be affected by market barriers. Economic potential is further limited due to the number of measures in the achievable potential that are not cost-effective.

Achievable Technical – Achievable technical potential, also referred to as achievable potential, is the amount of potential that can be achieved with a given set of market conditions. It takes into account many of the realistic barriers to adopting energy efficiency measures. These barriers include market availability of technology, consumer acceptance, non-measure costs, and the practical limitations of ramping up a program over time. The level of achievable potential can increase or decrease depending on the given incentive level of the measure. In the Seventh Power Plan, the Council assumes that 85% of technical potential can be achieved over the 20-year study period. This is a consequence of a pilot program offered in Hood River, Oregon where home weatherization measures were offered at no cost. The pilot was able to reach over 90% of homes. These assumptions will be updated in the next study based on a measure-by-measure analysis of maximum achievability rates as finalized in the forthcoming 2021 Power Plan. The Council also uses a variety of ramp rates to estimate the rate of achievement over time. This CPA follows the Council’s methodology, including both the achievability and ramp rate assumptions.

Economic – Economic potential is the amount of potential that passes an economic benefit-cost test. In Washington State, EIA requirements stipulate that the total resource cost test (TRC) be used to determine economic potential. The TRC evaluates all costs and benefits of the measure regardless of who pays the cost or receives the benefit. Costs and benefits include the following: capital cost, O&M cost over the life of the measure, disposal costs, program administration costs, environmental benefits, distribution and transmission benefits, energy savings benefits, economic effects, and non-energy savings benefits. Non-energy costs and benefits can be difficult to enumerate, yet non-energy costs are quantified where feasible and realistic. Examples of non-quantifiable benefits might include added comfort and reduced road noise from better insulation or increased real estate value from new windows. A quantifiable non-energy benefit might include reduced detergent costs or reduced water and sewer charges from energy efficient clothes washers.

For this potential assessment, the Council’s ProCost model was used to determine cost effectiveness for each energy efficiency measure. The ProCost model values measure energy savings by time of day using conservation load shapes (by end-use) and segmented energy prices. The version of ProCost used in the 2021 CPA evaluates measure savings on an hourly basis, but ultimately values the energy savings during two segments covering high and low load hour time periods.

3.5 AVOIDED COST

Each component of the avoided cost of energy efficiency measure savings is described below. Additional information regarding the avoided cost forecast is included in Appendix IV.

3.5.1 Energy

The avoided cost of energy is the cost that is avoided through the acquisition of energy efficiency in lieu of other resources. Avoided costs are used to value energy savings benefits when conducting cost effectiveness tests and are included in the numerator in a benefit-cost test. The avoided costs typically include energy-based values (\$/MWh) and values associated with the demand savings (\$/kW) provided by energy efficiency. These energy benefits are often based on the cost of a generating resource, a forecast of market prices, or the avoided resource identified in the IRP process.

3.5.2 Social Cost of Carbon

The social cost of carbon is a cost that society incurs when fossil fuels are burned to generate electricity. Both the EIA rules and CETA require that CPAs include the social cost of carbon when evaluating cost effectiveness using the total resource cost test (TRC). CETA further specifies the social cost of carbon values to be used in conservation and demand response studies. These values are shown in Table 3-1 below and were the same value used in the 2023 CPA.

TABLE 3-1: SOCIAL COST OF CARBON VALUES³

Year in Which Emissions Occur or Are Avoided	Social Cost of Carbon Dioxide \$2018/metric ton	Social Cost of Carbon Dioxide \$2023/short ton ¹
2020	\$74	\$80
2025	\$81	\$88
2030	\$87	\$94
2035	\$93	\$101
2040	\$100	\$108

¹ProCost model inputs for \$/CO₂ are in short tons. In the modeling, 2023 dollars are converted to \$2016 to be consistent with the 2021 Power Plan measure data.

According to WAC 194-40-110, values may be adjusted for any taxes, fees or costs incurred by utilities to meet portfolio mandates.⁴ For example, the social cost of carbon is the full value of carbon emissions which includes the cost to utilities and ratepayers associated with moving to non-emitting resources. Rather than adjust the social cost of carbon for the cost of RECs or renewable energy, the values for RECS and renewable energy are excluded from the analysis to avoid double counting.

The emissions intensity of the marginal resource (market) is used to determine the \$/MWh value for the social cost of carbon. Ecology states that unspecified resources should be given a carbon intensity value of 0.437 metric tons of CO₂e/MWh of electricity (0.874 lbs/kWh).⁵ This is an average annual value applied to in all months in the conservation potential model.⁶ The resulting levelized cost of carbon is \$34/MWh over the 20-year study.

³ WAC 194-40-100. Available at :<https://apps.leg.wa.gov/wAc/default.aspx?cite=194-40-100&pdf=true>.

⁴ WAC 194-40-110 (b).

⁵ WAC 173-444-040 (4).

⁶ The seasonal nature of carbon intensity is not modeled due to the prescriptive annual value established by Ecology in WAC 173-444-040.

3.5.3 Renewable Portfolio Standard Cost

Renewable energy purchases need to meet both RPS and CETA and can be avoided through conservation. Utilities may meet Washington RPS through either bundled energy purchases such as purchasing the output of a wind resource where the non-energy attributes remain with the output, or they may purchase unbundled RECs. As stated above, the value of avoided renewable energy credit purchases resulting from energy efficiency is accounted for within the social cost of carbon construct. The social cost of carbon already considers the cost of moving from an emitting resource to a non-emitting resource. Therefore, it is not necessary to include an additional value for renewable energy purchases prior to 2045 when all energy must be non-emitting or renewable.

Beginning in 2045, the social cost of carbon may no longer be an appropriate adder in resource planning. However, prior to 2045 utilities may still use offsets to meet CETA requirements. Since the study period of this evaluation ends prior to 2045, the avoided social cost of carbon is included in each year. For future studies that extend to 2045 and beyond, it would be appropriate to include renewable energy or non-emitting resource costs as the avoided cost of energy rather than market plus the social cost of carbon.

3.5.4 Transmission and Distribution System

The EIA requires that deferred capacity expansion benefits for transmission and distribution systems be included in the assessment of cost effectiveness. To account for the value of deferred transmission and distribution system expansion, a distribution system credit value of \$8.53/kW-year and a transmission system credit of \$3.83/kw-year were applied to peak savings from conservation measures, at the time of the regional transmission and the District's local distribution system peaks (adjusted to \$2023). These values were developed by Council staff in preparation for the 2021 Power Plan.⁷

3.5.5 Generation Capacity

The District's marginal cost for generation capacity is estimated using a benchmark: BPA demand rates. While these rates don't directly apply to the District, they are a good representation of the marginal cost of demand in the region. BPA demand rates are escalated 3% each rate period (every two years). Over the 20-year analysis period, the resulting cost of avoided capacity is \$104/kW-year (2023\$) in levelized terms.

In the Council's 2021 Power Plan,⁸ a generation capacity value of \$143/kW-year was explicitly calculated (\$2023). This value is used in the high scenario.

⁷ Northwest Power and Conservation Council Memorandum to the Power Committee Members. Subject; Updated Transmission & Distribution Deferral Value for the 2021 Power Plan. March 5, 2019. Available at: https://www.nwcouncil.org/sites/default/files/2019_0312_p3.pdf.

⁸ <https://www.nwcouncil.org/energy/powerplan/7/home/>.

3.5.6 Risk

With the generation capacity value explicitly defined, the Council's analysis found that a risk credit did not need to be defined as part of its cost-effectiveness test. In this CPA, risk was modeled by varying the base case input assumptions. In doing so, this CPA addresses the uncertainty of the inputs and looks at the sensitivity of the results. The avoided cost components that were varied included the energy prices and generation capacity value. Through the variance of these components, implied risk credits of up to \$11/MWh and \$39/kW-year were included in the avoided cost. Note that the capacity value of energy efficiency measures is associated with more uncertainty compared with the energy value. Because of the upcoming implementation of the energy imbalance market (EIM) in the Pacific Northwest, and increased renewables in the region, capacity values are expected to be more volatile compared with energy market prices.

Additional information regarding the avoided cost forecast and risk mitigation credit values is included in Appendix IV.

3.5.7 Power Planning Act Credit

Finally, a 10% benefit was added to the avoided cost as required by the Pacific Northwest Electric Power Planning and Conservation Act.

3.6 DISCOUNT AND FINANCE RATE

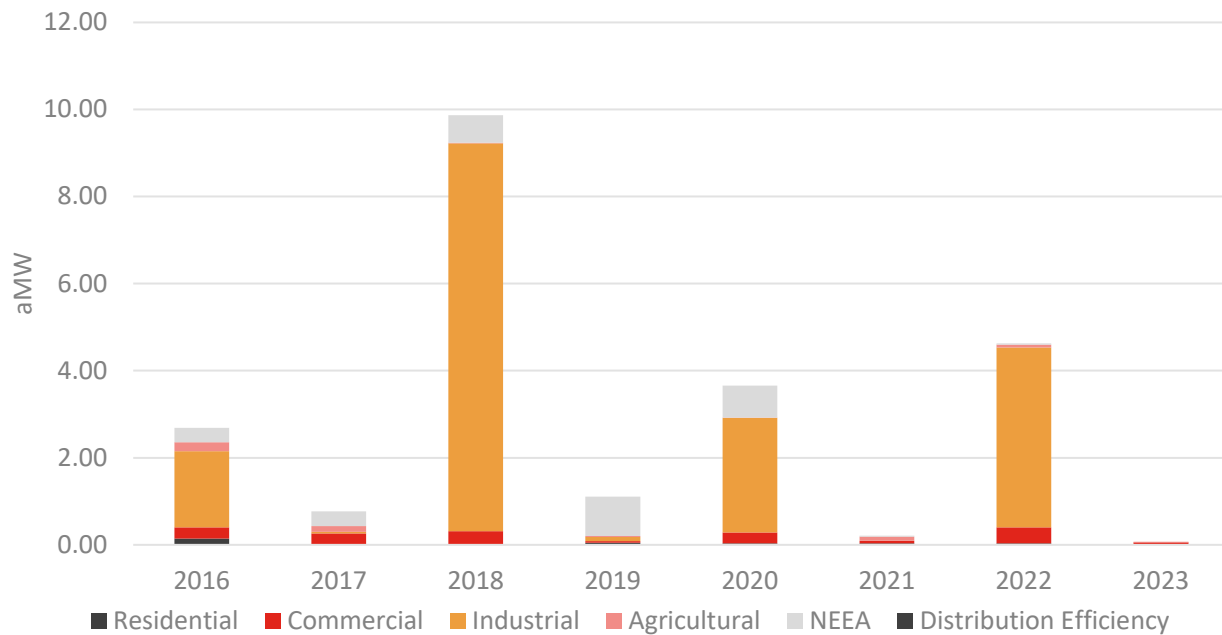
The Council develops a real discount rate for each of its Power Plans. In preparation for the 2021 Power Plan, the Council proposed using a discount rate of 3.75%. This discount rate was used in this CPA. The discount rate is used to convert future costs and benefits into present values. The present values are then used to compare net benefits across measures that realize costs and benefits at different times and over different useful lives.

4 Recent Conservation Achievement

The District has pursued conservation and energy efficiency resources for many years. Currently, the utility offers a variety of programs for residential, commercial, industrial, and agricultural customers. These include residential weatherization, new construction programs for commercial customers, and energy-efficiency audits. In addition to utility programs, the District receives credit for market-transformation activities that are accomplished by the Northwest Energy Efficiency Alliance (NEEA) in its service territory.

Figure 4-1 shows the distribution of conservation among the District’s customer sectors and through Northwest Energy Efficiency Alliance (NEEA) efforts over the past five years. NEEA’s work helps bring energy efficient emerging technologies, like ductless heat pumps and heat pump water heaters to the Northwest markets. Note that savings achievement for 2020 were lower than historic achievements primarily due to the COVID-19 pandemic. Economic factors and risk for COVID-19 transmission both likely contributed to fewer measures being implemented in the District’s service area. More detail of these savings is provided below for each sector.

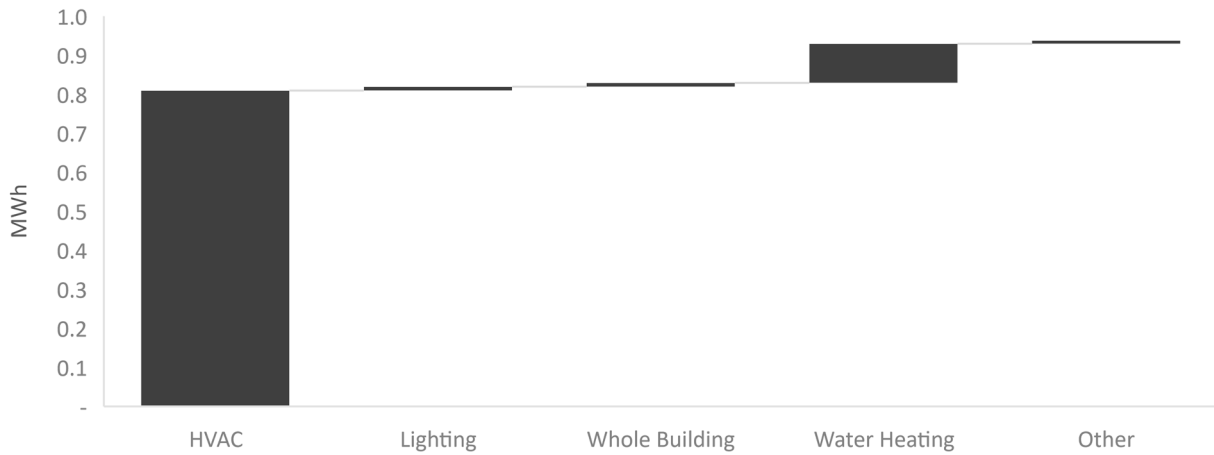
FIGURE 4-1: RECENT CONSERVATION HISTORY BY SECTOR



4.1 RESIDENTIAL

Figure 4-2 shows historic conservation achievement by end use in the residential sector. Savings from HVAC and lighting measures account for most of the savings. Note that in the figure below, HVAC includes weatherization measures. The “Other” category includes energy star appliances and consumer electronics.

FIGURE 4-2: 2017-2023 YTD RESIDENTIAL SAVINGS ACHIEVEMENT



4.2 COMMERCIAL & INDUSTRIAL

Historic achievement in the commercial and industrial sectors is primarily due to lighting, Strategic Energy Management, and custom HVAC projects. Figures 4-3 and 4-4 show the breakdown of commercial and industrial savings, respectively, from 2017 to 2023 year to date.

FIGURE 4-3: 2017-2023 YTD COMMERCIAL SAVINGS

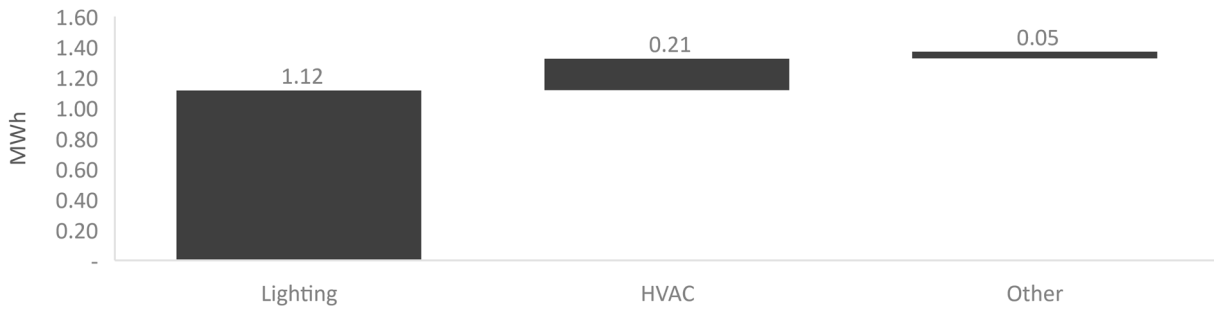
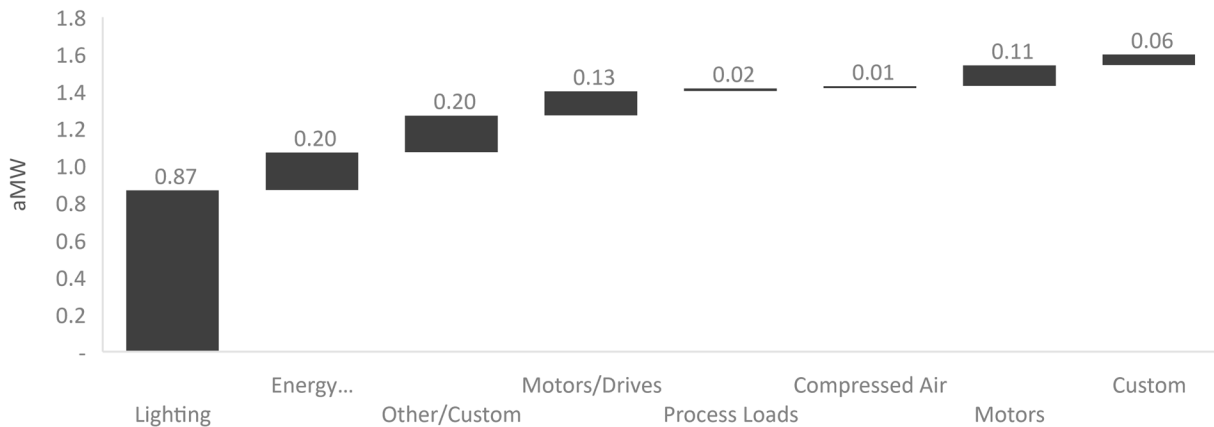


FIGURE 4-4: 2017-2023 YTD INDUSTRIAL SAVINGS



4.3 AGRICULTURE

Agriculture program achievement has been acquired through irrigation hardware and other system upgrades, such as variable frequency drives. Achievement from 2016-2023 in this sector totals 0.55 aMW.

4.4 CURRENT CONSERVATION PROGRAMS

The District offers a wide range of conservation programs to its customers. These programs include many types of deemed conservation rebates, energy audits, net metering, and custom projects. The current programs offered by the District are detailed below.

4.4.1 Residential

- *Weatherization* – This program provides rebates for both windows and insulation.
- *HVAC Rebates* – This program provides rebates for a variety of space conditioning upgrades including rebates for HVAC upgrades and conversions.

4.4.2 Commercial and Industrial

- *Lighting Energy Efficiency Program (LEEP)* – Owners of commercial buildings can apply for a lighting energy audit. Applicable rebate amounts are determined upon completion of the audit.
- *Custom Projects Rebates* – The District offers rebates for special projects that improve efficiency or process related systems including, but not limited to, compressed air, variable frequency drives, industrial lighting interactive with HVAC systems, and refrigeration. Rebates for this program vary.

4.4.3 Agriculture

- *Agricultural Rebate Program* – This program offers incentives for irrigation sprinklers, nozzles, and regulators as well as replacement.

4.5 SUMMARY

The District plans to continue to invest in energy efficiency by offering incentives to all sectors. The results of this CPA will help the District program managers to structure energy efficiency program offerings, establish appropriate incentive levels, comply with the EIA and CETA requirements and provide continued energy efficiency as a customer service.

5 Customer Characteristics Data

The District serves approximately 47,990 electric customers in Grant County PUD County, Washington, with a service area population of approximately 104,579. A key component of an energy efficiency assessment is to understand the characteristics of these customers—primarily the building and end-use characteristics. These characteristics for each customer class are described below.

5.1 RESIDENTIAL

For the residential sector, the key characteristics include house type, space heating fuel, and water heating fuel. Tables 5-1, 5-2, 5-3 and 5-4 show relevant residential data for single family, multi-family and manufactured homes in the District’s service territory as analyzed in the 2019 CPA. Residential characteristics are based on data collected through home audits provided by Grant PUD. This data provides estimates of the current residential characteristics in Grant PUD’s service territory and are utilized as the baseline in this study.

TABLE 5-1: RESIDENTIAL BUILDING CHARACTERISTICS

Heating Zone	Cooling Zone	Solar Zone	Residential Households	Total Population
1	3	3	41,956	104,579

TABLE 5-2: HOME HEATING & COOLING SYSTEM SATURATIONS

	Single Family	Multifamily - Low Rise	Manufactured
Electric Forced Air Furnace	25%	1%	85%
Heat Pump	35%	1%	15%
Ductless Heat Pump	1%	2%	0%
Electric Zonal/Baseboard	39%	96%	0%
Central Air Conditioning	48%	2%	11%
Room Air Conditioning	42%	35%	3%

TABLE 5-3: EXISTING HOMES – APPLIANCE SATURATIONS

	Single Family	Multifamily - Low Rise	Manufactured
DHW buffer	79%	77%	94%
Refrigerator	129%	103%	121%
Freezer	53%	4%	43%
Clothes Washer	99%	47%	99%
Clothes Dryer	98%	47%	95%
Dishwasher	89%	78%	77%
Microwave	96%	96%	96%
Electric Oven	49%	40%	56%
RAC	53%	35%	38%

TABLE 5-4: NEW HOMES – APPLIANCE SATURATIONS

	Single Family	Multifamily - Low Rise	Manufactured
DHW buffer	79%	77%	94%
Refrigerator	138%	104%	117%
Freezer	39%	0%	43%
Clothes Washer	96%	53%	100%
Clothes Dryer	91%	49%	100%
Dishwasher	84%	68%	84%
Microwave	96%	96%	96%
Electric Oven	49%	40%	56%
RAC	53%	35%	38%

5.2 COMMERCIAL

Building floor area is the key parameter in determining conservation potential for the commercial sector as many of the measures are based on savings as a function of building area. Generally, floor area additions are analyzed by reviewing kWh growth in a utility’s service area. The District provided floor area estimates for new buildings constructed since 2021. This data is added to the 2022 floor area estimate from the previous assessment.

The 2018 data was developed by coding each general service customer based on the Commercial Building Stock Assessment (CBSA)⁹ building definitions. The appropriate EUI is then applied to the sum of kWh for each building type resulting in estimated square feet. Table 5-5 compares the 2022 estimates with the 2024 estimates. After 2024, a 1% growth rate is applied to commercial building floor area growth.

⁹ Navigant Consulting. 2014. *Northwest Commercial Building Stock Assessment: Final Report*. Portland, OR: Northwest Energy Efficiency Alliance.

TABLE 5-5: COMMERCIAL BUILDING SQUARE FOOTAGE BY SEGMENT

Segment	2022 Floor Area Estimate	2024 Floor Area Estimate
Large Office	22,128	22,128
Medium Office	777,053	777,053
Small Office	1,035,713	1,066,031
Extra Large Retail Space	-	730,992
Large Retail	956,650	225,658
Medium Retail	773,412	807,090
Small Retail	1,723,534	1,787,953
School (K-12)	4,019,941	4,019,941
University	883,927	883,927
Warehouse	23,158,268	23,646,652
Supermarket	348,008	348,008
Mini Mart	203,509	204,169
Restaurant	467,747	475,984
Lodging	2,137,264	2,147,396
Hospital	632,421	639,477
Residential Care	42,059	42,059
Assembly	1,434,465	1,434,465
Other Commercial	5,640,209	5,652,806
Total	44,256,309	44,911,790

5.3 INDUSTRIAL

The methodology for estimating industrial potential is different than the approaches used for the residential and commercial sectors primarily because most energy efficiency opportunities are unique to specific industrial segments. The Council and this study use a “top-down” methodology that utilizes annual consumption by industrial segment and then disaggregates total usage by end-use shares. Estimated measure savings are applied to each sector’s end-use shares.

The 2020 usage for industrial customers was updated by applying historic and forecast growth rates from the District’s load forecast. Overall, industrial load growth is projected to increase by 2.2% from 2020 to 2024. Individual industrial customer usage is summed by industrial segment in Table 5-6. Data Center loads are shown separately.

TABLE 5-6: INDUSTRIAL SECTOR LOAD BY SEGMENT, MWH

Industry	2020 Loads	2024 Forecast
Paper	16,587	16,954
Foundries	42,202	43,137
Frozen Food	229,975	235,073
Other Food	76,313	78,004
Silicon	9,929	10,149
Metal Fabrication	-	-
Equipment/Transportation	21,741	22,223
Cold Storage	34,919	35,693
Fruit Storage	47,471	48,523
Refinery	70,956	72,529
Chemical	595,547	608,748
Miscellaneous Manufacturing	241,641	246,997
Total	1,387,280	1,418,029
Data Centers	1,531,597	2,260,080

5.4 AGRICULTURE

To determine agriculture sector characteristics in the District’s service territory, EES utilized data provided by the United States Department of Agriculture (USDA) as shown in Table 5-7. The USDA conducts a census of farms and ranches in the U.S. every five years. The most recent available data for this analysis is from the 2017 census, which was published in 2019.

TABLE 5-7: AGRICULTURAL INPUTS

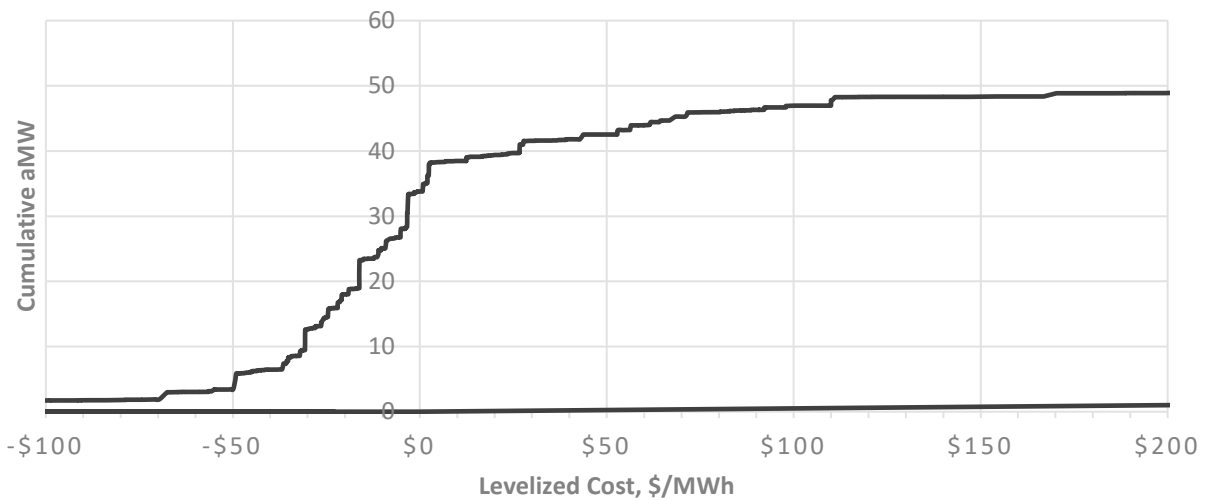
Dairy Production, 1,000 lbs	763,182
Total Irrigated Acreage	393,015
Total Number of Pumps	4,199
Total Number of Farms	1,635
Stock Tanks	711
Back-Up Generator	4

6 Results – Energy Savings and Costs

6.1 ACHIEVABLE CONSERVATION POTENTIAL

Achievable potential is the amount of energy efficiency potential that is available regardless of cost. Figure 6-1, below, shows a supply curve of 20-year achievable potential. A supply curve is developed by plotting cumulative energy efficiency savings potential (aMW) against the levelized cost (\$/MWh) of the savings when measures are sorted in order of ascending cost. The potential shown in Figure 6-1 has not been screened for cost-effectiveness. Costs are levelized, allowing for the comparison of measures with different lifetimes. The supply curve facilitates comparison of demand-side resources to supply-side resources and is often used in conjunction with integrated resource plans. Figure 6-1 shows that approximately 42 aMW of cumulative saving potential are available for less than \$50/MWh.

FIGURE 6-1: 20-YEAR ACHIEVABLE POTENTIAL LEVELIZED COST SUPPLY CURVE, EXCLUDING DATA CENTERS



6.2 ECONOMIC CONSERVATION POTENTIAL

Economic or cost-effective potential is the amount of potential that passes the Total Resource Cost (TRC) test. This means that the present value of the benefits attributed to the conservation measure exceeds the present value of the measure costs over its lifetime.

Table 6-1 shows the economic potential by sector in 2, 4, 10 and 20-year increments. Compared with the technical and achievable potential, it shows that 29.15 aMW of the total 49 aMW is cost-effective for the District (excluding data centers). The last section of this report discusses how these values could be used for setting targets.

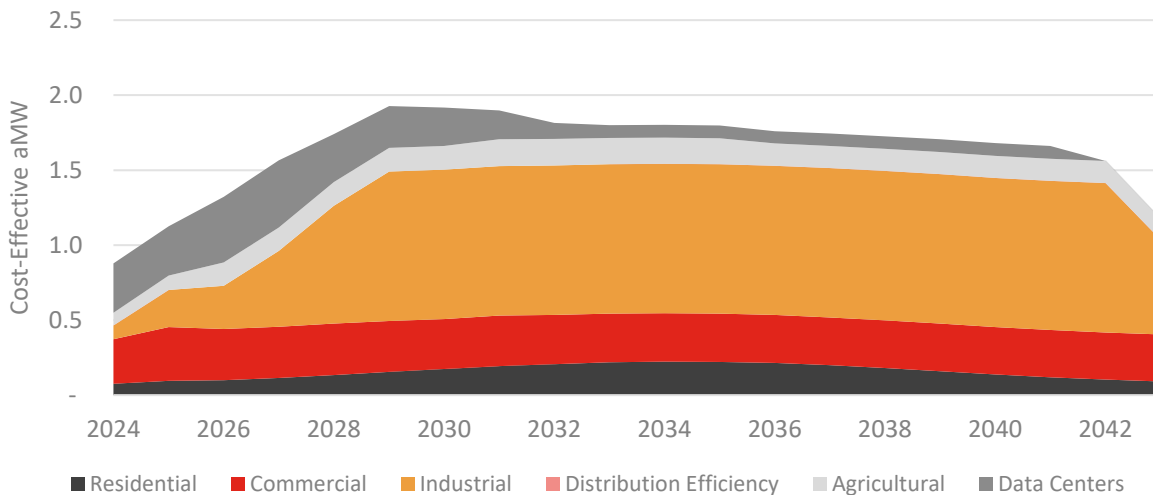
TABLE 6-1: COST-EFFECTIVE ACHIEVABLE POTENTIAL – BASE CASE (aMW)

	2-Year	4-Year	10-Year	20-Year
Residential	0.17	0.38	1.47	3.12
Commercial	0.66	1.34	3.34	6.52
Industrial excluding Data Centers	0.34	1.13	6.90	16.50
Data Centers	0.66	1.5	2.8	3.5
Agricultural	0.18	0.49	1.49	3.01
Total	2.00	4.89	15.99	32.61

6.3 SECTOR SUMMARY

Figure 6-2 shows economic potential by sector on an annual basis. In this figure, estimated data center savings are shown separately from other industrial process potential.

FIGURE 6-2: ANNUAL COST-EFFECTIVE POTENTIAL BY SECTOR



Second to data centers, the largest share of the potential is in the commercial sector followed by savings potential in the residential and agricultural sectors. Ramp rates from the 2021 Power Plan were used to establish reasonable conservation achievement levels. In some cases, alternate ramp rates were assigned to reflect the District’s current rate of program achievement. Achievement levels are affected by factors including timing of equipment turnover and new construction, supply chain delays, economic factors, program and technology maturity, market trends, and current utility staffing and funding.

6.3.1 Residential

Near-term residential conservation potential is approximately the same as what was identified in the 2021 assessment. In the longer term, savings potential has been impacted by new measures added by the Council for the 2021 Power Plan, the avoided cost updates, and program achievement.

Within the residential sector, water heating and HVAC (including weatherization) measures make up the largest share of savings (Figure 6-3). This is due, in part, to the fact that the District’s residential customers

rely mostly on electricity for space and water heating. Many weatherization measures are no longer cost-effective due to changes in costs and in energy savings values. The large amount of potential for water heating is primarily due to 1.5 gpm or lower shower heads, efficient clothes washers, aerators, and heat pump water heaters.

FIGURE 6-3: ANNUAL RESIDENTIAL COST-EFFECTIVE POTENTIAL BY END USE

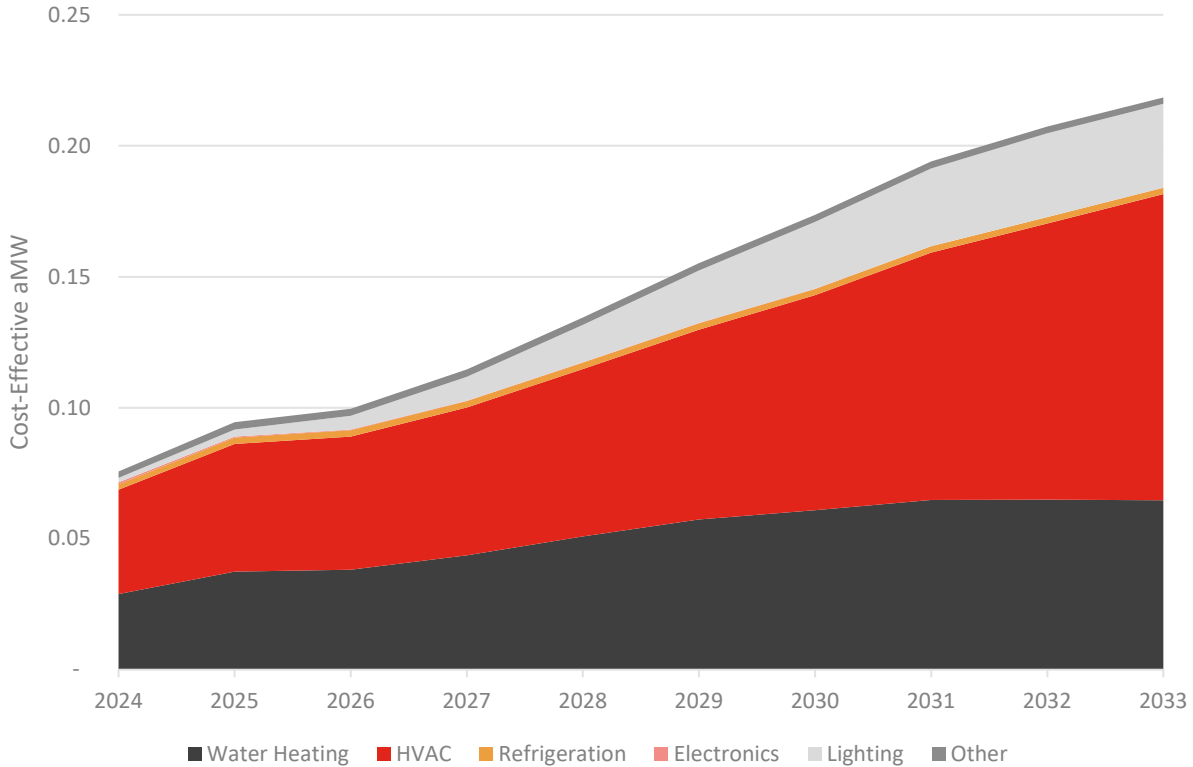


Figure 6-4 shows how the 10-year residential potential breaks down into end uses and key measure categories. The area of each block represents its share of the total 10-year residential potential.

FIGURE 6-4: RESIDENTIAL COST-EFFECTIVE POTENTIAL BY END USE AND MEASURE CATEGORY

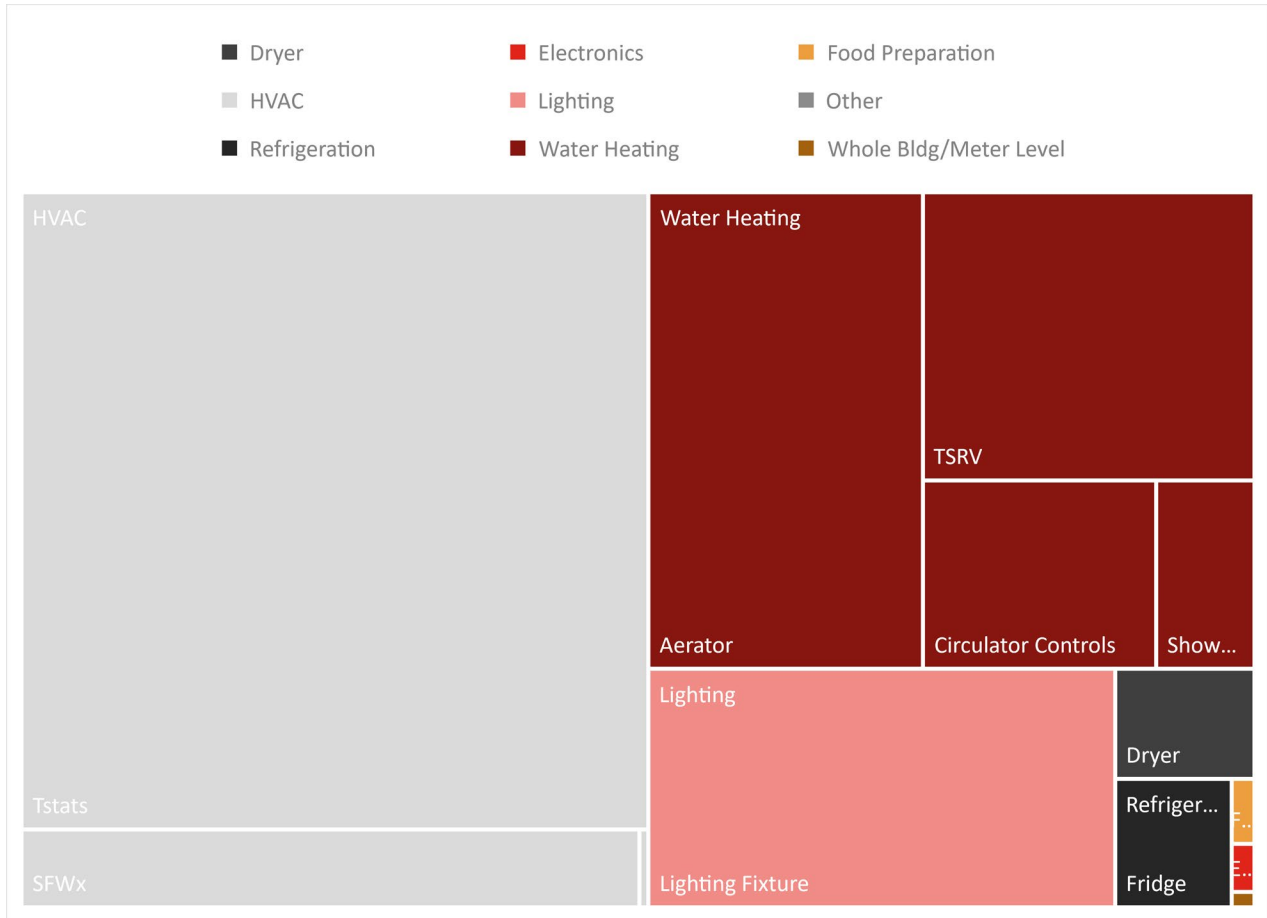


Table 6-2 compares how the savings potential has changed since the 2021 CPA. The primary drivers are reduced cost effectiveness as well as updated measure baselines.

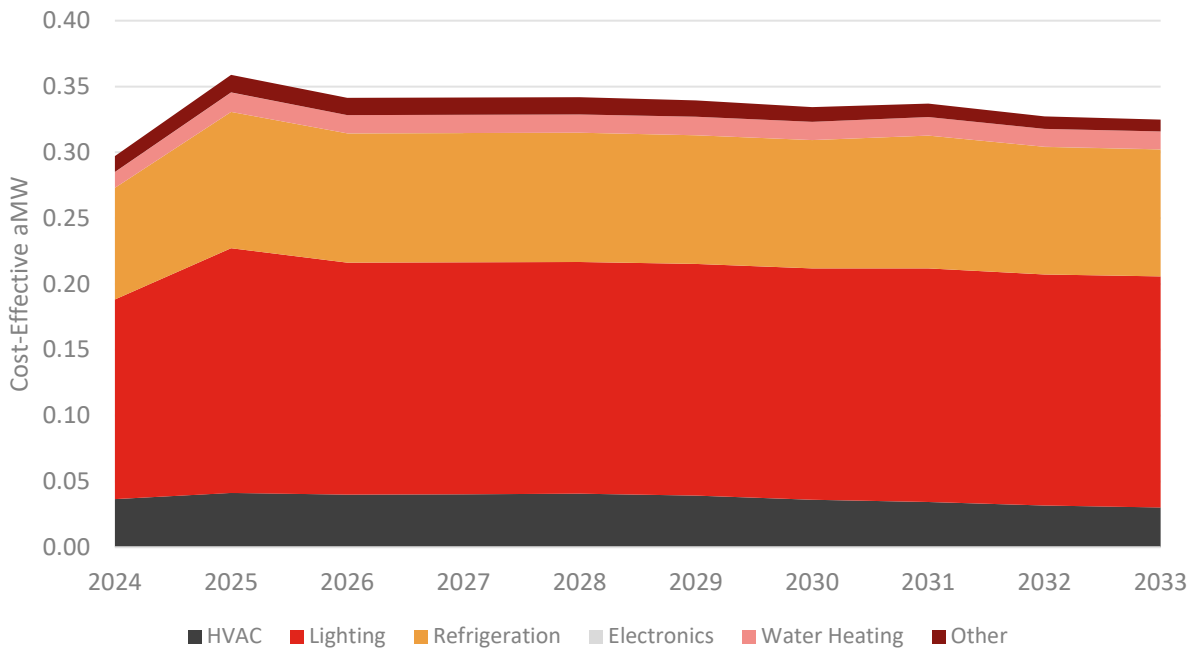
TABLE 6-2: COMPARISON RESIDENTIAL 20-YEAR ECONOMIC ACHIEVABLE POTENTIAL, AMW

End Use	2021 CPA	2023 CPA	Discussion
Water Heating	3.63	1.01	Reduced cost-effectiveness
HVAC	1.64	1.71	Added measure permutations
Lighting	0.00	0.30	Reduced cost-effectiveness
Electronics	0.27	0.00	Updated computer measures, reduced cost-effectiveness
Food Preparation	0.00	0.00	Reduced cost-effectiveness
Dryer	0.00	0.04	Updated to 2021 Plan methodology/measures
Refrigeration	0.00	0.05	Updated saturation
Whole Bldg./Meter Level	0.00	0.00	Updated saturation/applicability, Reduced cost-effectiveness
Well Pumps	5.54	0.00	Well pumps not cost-effective
Total	3.63	3.12	

6.3.2 Commercial

The diverse nature of commercial building energy efficiency is reflected in the variety of end-uses and corresponding measures as shown in Figure 6-5. Beyond HVAC and lighting, additional sources of potential are available in water heating, electronics, motors, food preparation and process loads.

FIGURE 6-5: ANNUAL COMMERCIAL COST-EFFECTIVE POTENTIAL BY END USE



The key end uses and measures within the commercial sector are shown in Figure 6-6. The area of each block represents its share of the 10-year commercial potential.

FIGURE 6-6: COMMERCIAL COST-EFFECTIVE POTENTIAL BY END USE AND MEASURE CATEGORY

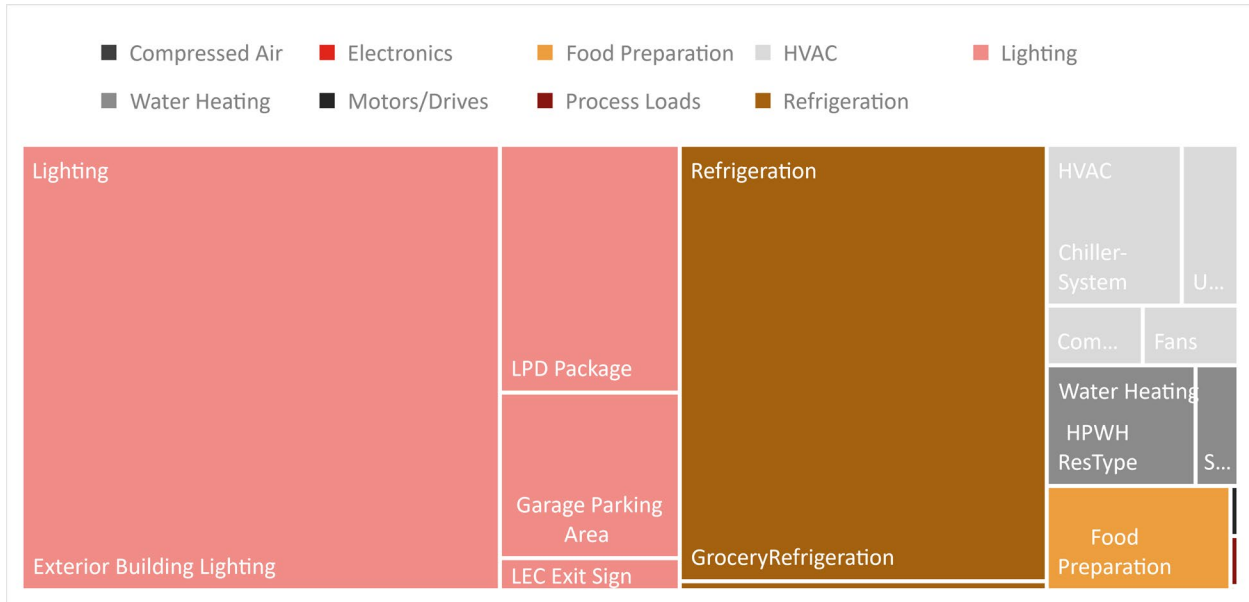


Table 6-3 provides a summary of the differences between the 2021 assessment and this 2023 CPA by end-use.

TABLE 6-3: COMPARISON COMMERCIAL 20-YEAR ECONOMIC ACHIEVABLE POTENTIAL, AMW

End Use	2021 CPA	2023 CPA	Discussion
Food Preparation	0.21	0.18	Updated measure data/baselines
Lighting	3.33	3.50	Growth in floor area
Electronics	0.00	0.00	Updated measure data/baselines
Refrigeration	0.87	1.93	Reduced costs, added measures
Process Loads	0.09	0.00	Not cost effective
Compressed Air	0.26	0.00	Updated to 2021 Plan methodology/measures
HVAC	1.56	0.63	Reduced cost-effectiveness, Adjusted applicability
Motors/Drives	0.28	0.00	Reduced cost-effectiveness, Added Commercial Clean Water Pumps
Water Heating	0.34	0.27	Reduced cost-effectiveness; removed older water heating measures, adjusted applicability based on building type
Total	13.25	6.52	

6.3.3 Industrial

6.3.3.1 Data Centers

Approximately 60% of the District’s industrial loads are in data center and cryptocurrency processes. The Council does not provide measures or savings analysis for large, centralized data centers. Historically, the District’s CPAs have utilized commercial sector server measures to estimate data center potential. Beginning in 2021, savings for data centers have been evaluated for new customers at the project level. This study continues this methodology by efficiency evaluation based on the District’s loads and unique

nature of large data center operations. The bulleted list below from the 2021 study summarizes some of the issues identified in developing large data center energy efficiency potential estimates.

- Large data centers are often willing to work with the District at the time of new service to identify, measure, and verify energy efficiency improvements. Through its relationship with existing customers, the District has learned that existing loads are continually optimized without measurement and verification practices in place. Due to the unique nature of data center loads, customers are incentivized to choose the most efficient hardware when regular updates are made. Because these improvements are happening naturally and cannot be claimed through the State's audit process for compliance with targets, the potential for savings in existing data center loads is excluded from the target and future potential estimates.
- Historic data center project savings have been significant, saving up to 10% of new data center total load. However, this historic savings amount cannot be applied to future load growth estimates due to the nature of how energy use is evolving for large data centers. Specifically, historic savings have been achieved through cooling measures as data centers have been housed inside buildings requiring specific HVAC equipment. New data centers are typically housed in containers or other non-building structures removing a large portion of the HVAC savings potential.
- Data center measures are largely cost-effective from the utility and ratepayer perspectives. The analysis does not explicitly evaluate the benefits and costs from a TRC perspective. Rather, due to their low incremental costs compared with savings potential, it is assumed that the measures are cost-effective from a total resource cost perspective.
- The District plans to update the data center savings potential every two years for the purposes of defining an accurate 2-year savings target based on planned new loads. Scenario analysis provides a range of potential savings over the longer-term study period.

If the growth in data centers continues, and the District is able to reduce future baseline energy use by 9%, the District can expect approximately 13.6 aMW in data center savings over the 20-year study period. However, the projected data center savings are adjusted for future program design changes. While the District has historically met a large share of its conservation targets with data center projects, the District plans to focus more effort on harder to reach residential customers in order to build out those programs and achieve the potential available in the residential sector. The reprioritization of programs introduces uncertainty in the acceptance of data center savings potential. Due to this uncertainty, data center potential is reduced by 50%. Additionally, there is uncertainty in the continued growth of this sector. The majority of measures are applied to data centers when a new customer comes online. However, the District's power supply is becoming constrained which may lead to a significant slow down in data center load growth. Because of these factors, the potential from future data centers has been scaled down compared to previous studies.

6.3.3.2 Other Industrial

The other 40% of the District's industrial load is composed primarily of food processing and chemical facilities. Lighting and HVAC measures comprise the majority of non-data center industrial potential (Figure 6-7). In Figure 6-7, the Other category is largely comprised of savings in refrigeration and fan systems, as well as smaller amounts of savings from compressed air and pump systems.

FIGURE 6-7: ANNUAL INDUSTRIAL COST-EFFECTIVE POTENTIAL BY END USE EXCLUDING DATA CENTERS

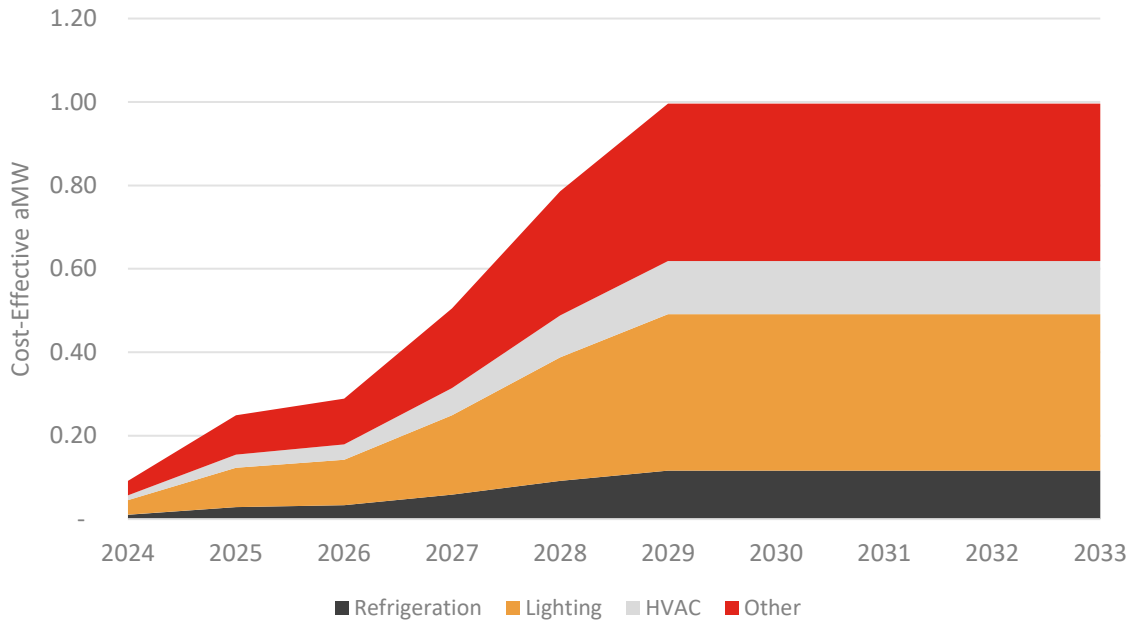
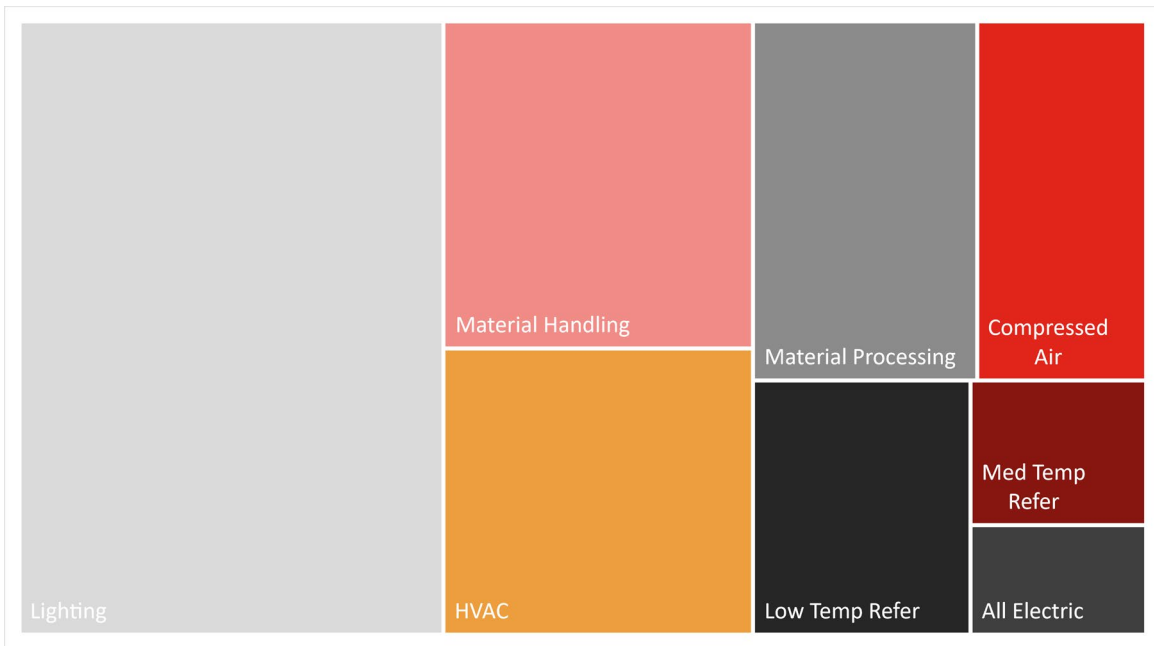


Figure 6-8 shows how the 10-year industrial potential breaks down by end use and measure categories.

FIGURE 6-8: INDUSTRIAL COST-EFFECTIVE POTENTIAL BY END USE AND MEASURE CATEGORY



The most impactful change in the industrial savings potential is the adjustment for recent program achievements. The District has completed over 2.8 aMW in energy efficiency projects since 2016. This is reflected in the updated results in the table below. Table 6-4 compares the potential estimated in this study to the 2021 assessment. The end use categories have been updated to align with the 2021 Plan Industrial Tool.

TABLE 6-4: COMPARISON INDUSTRIAL 20-YEAR ECONOMIC ACHIEVABLE POTENTIAL, AMW

End Use	2021 CPA	2023 CPA
Data Centers (2-year)	3.90	1.32
Compressed Air	0.43	1.45
Energy Project Management	1.70	NA
Fans	1.25	0.00
Food Processing	1.42	NA
Food Storage	1.74	NA
Hi-Tech	0.19	NA
Integrated Plant Energy Management	1.50	NA
Lighting	1.55	6.21
Material Handling	0.02	NA
Metals	0.01	NA
Municipal Sewage Treatment	0.26	NA
Paper	0.02	NA
Plant Energy Management	1.37	NA
Pumps	2.77	2.11
HVAC	NA	0.38
Low Temp Refrigeration	NA	1.32
Med Temp Refer	NA	0.61
All Electric	NA	0.46
Material Processing	NA	1.92
Material Handling	NA	2.42
Melting and Casting	NA	0.00
Other	NA	0.00
Total	14.26	17.82

6.3.4 Agriculture

Potential in agriculture is a product of total acres under irrigation in the District's service territory, number of pumps, and the number of farms. As shown in Figure 6-9, most of the cost-effective conservation potential is due to irrigation pump motors. There are some dairy farms in Grant County; however, most of the dairy efficiency measures were not cost-effective.

FIGURE 6-9: ANNUAL AGRICULTURE COST-EFFECTIVE POTENTIAL BY END USE

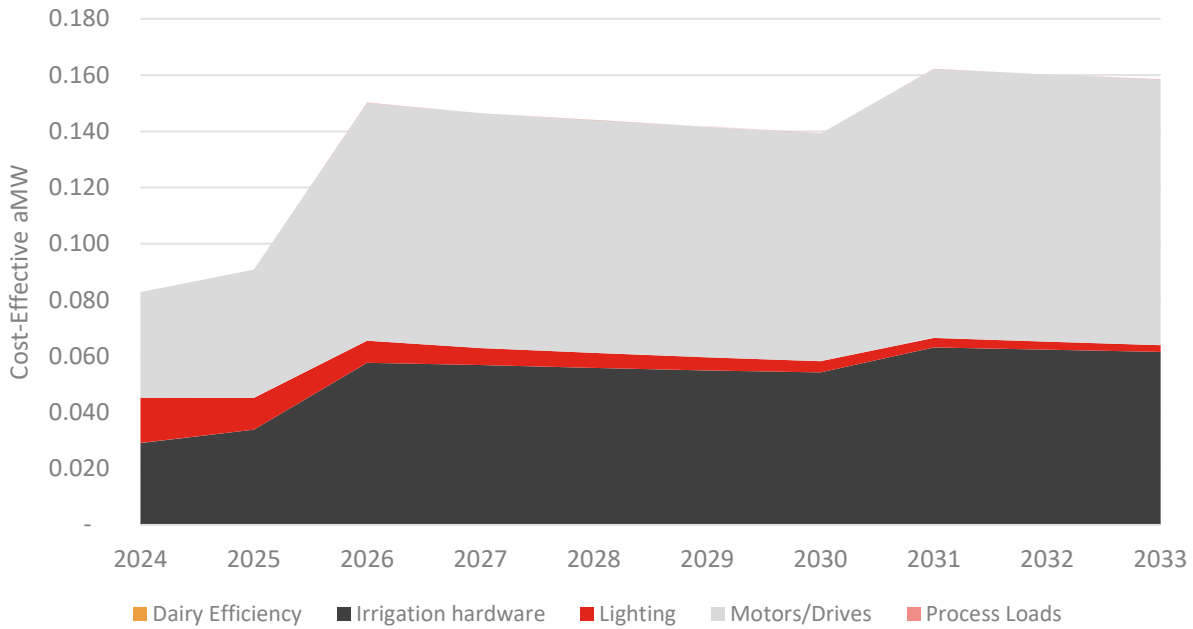


Table 6-5 compares the results of the 2021 CPA with this updated assessment.

TABLE 6-5: COMPARISON AGRICULTURAL 20-YEAR ECONOMIC ACHIEVABLE POTENTIAL, AMW

End Use	2021 CPA	2023 CPA	Discussion
Irrigation	1.03	1.06	Updated acreage
Lighting	0.09	0.07	Updated applicability
Dairy Efficiency/ Refrigeration	0.04	0.28	New measures
HVAC	NA	0.00	New measures not cost-effective.
Motors/Drives	0.16	1.60	Updated irrigation pump measures
Process Loads	NA	0.001	Added energy free stock tanks
Total	1.33	3.01	

6.4 COST

Budget costs can be estimated at a high level based on the incremental cost of the measures (Table 6-6). The assumptions in this estimate include 20 percent of measure cost for administrative costs and 35 percent of the incremental measure costs is assumed to be paid by the utility as incentives. A 20 percent allocation of measure costs to administrative expenses is a standard assumption for conservation programs. This figure was used in the Council’s 2021 Power Plan. The 35 percent utility-share of measure costs is used in all sectors except in the utility distribution efficiency category, where the District is likely to pay the entire cost of any measures implemented and no incentives will be paid. These assumptions are consistent with the District’s previous CPA.

This chart shows that the District can expect to spend over \$3.95 million to realize estimated non-data center savings over the next two years including program administration costs. The bottom row of Table 6-6 shows the cost per MWh of first year savings.

TABLE 6-6: UTILITY PROGRAM COSTS (2023\$) EXCLUDING DATA CENTERS

	2-Year	6-Year	10-Year	20-Year
Residential	\$800,000	\$1,780,000	\$6,350,000	\$12,960,000
Commercial	\$1,790,000	\$3,650,000	\$9,090,000	\$17,630,000
Industrial	\$1,020,000	\$3,390,000	\$20,620,000	\$49,290,000
Agricultural	\$340,000	\$900,000	\$2,740,000	\$5,480,000
Total	\$3,950,000	\$9,720,000	\$38,800,000	\$85,360,000
\$/First Year MWh	\$335	\$331	\$335	\$334

The cost estimates presented in this report are conservative estimates for future expenditures since they are based on historic values. Future conservation achievement may be more costly than historic conservation achievement since utilities often choose to implement the lowest cost programs first. In addition, as energy efficiency markets become more saturated, it may require more effort from the District to acquire conservation through its programs. Although not included in the above estimates, residential Low-Income programs are also significantly more costly to implement due to rebates being paid at 3 to 5 times the level of non-low-income residential programs. The additional effort may result in increased administrative costs.

TABLE 6-7: TRC LEVELIZED COST (2023\$/MWH) EXCLUDING DATA CENTERS

	2-Year	4-Year	10-Year	20-Year
Residential	\$52	\$52	\$53	\$57
Commercial	\$32	\$32	\$31	\$31
Industrial	\$49	\$49	\$49	\$49
Agricultural	\$18	\$17	\$17	\$17
Total	\$36	\$36	\$39	\$40

7 Scenario Results

The costs and savings discussed throughout the report thus far describe the Base Case avoided cost scenario. Under this scenario, annual potential for the planning period was estimated by applying assumptions that reflect the District's expected avoided costs. In addition, the Council's 20-year ramp rates were applied to each measure and then adjusted to more closely reflect the District's recent level of achievement.

Additional scenarios were developed to identify a range of possible outcomes that account for uncertainties over the planning period. In addition to the Base Case scenario, this assessment tested low and high scenarios to test the sensitivity of the results to different future avoided cost values. The avoided cost values in the low and high scenarios reflect values that are realistic and lower or higher, respectively, than the Base Case assumptions.

To understand the sensitivity of the identified savings potential to avoided cost values alone, three scenarios were modeled.

Table 7-1 summarizes the Base, Low, and High avoided cost input values. Relative to the values used in the 2021 CPA, many of the avoided cost assumptions have decreased including energy and capacity estimates. These changes reduced the 20-year potential estimate due to decreased cost-effectiveness.

Rather than using a single generic risk adder applied to each unit of energy, the Low and High avoided cost values consider lower and higher potential future values for each avoided cost input. These values reflect potential price risks based upon both the energy and capacity value of each measure. The final row tabulates the implied risk adders for the Low and High scenarios by summarizing all additions or subtractions relative to the Base Case values. Risk adders are provided in both energy and demand savings values. The first set of values is the maximum (or minimum in the case of negative values). The second set of risk adder values are the average values in energy terms. Further discussion of these values is provided in Appendix IV.

TABLE 7-1: AVOIDED COST ASSUMPTIONS BY SCENARIO, \$2023

	Base	Low	High
Energy	NWPCC April 2023 Baseline Price Forecast	10% Lower than NWPCC April 2023 Baseline Price Forecast	NWPCC April 2023 High Westside Demand
Social Cost of Carbon, \$/short ton	WAC 194-40-100 \$34/MWh	WAC 194-40-100 \$34/MWh	WAC 194-40-100 \$34/MWh
Avoided Cost of RPS Compliance	Included in Social Cost of Carbon		
Distribution System Credit, \$/kW-yr	\$8.53	\$8.53	\$8.53
Transmission System Credit, \$/kW-yr	\$3.83	\$3.83	\$3.83
Deferred Generation Capacity Credit, \$/kW-yr	\$104	\$0	\$143.18
Implied Risk Adder, 20-year Levelized \$/MWh \$/kW-yr	N/A	Average: -\$1/MWh and -\$104/kW-yr	Average: \$11/MWh and \$39/kW-year

Table 7-2 illustrates the growth assumptions modeled for each scenario.

	Residential	Commercial	Industrial	Data Centers	Population
Base	0.8%	1.15%	1.8%	3.0%	0.9%
Low	0.5%	0.5%	0.0%	1%	0.5%
High	2.5%	2%	3.0%	5%	2.5%

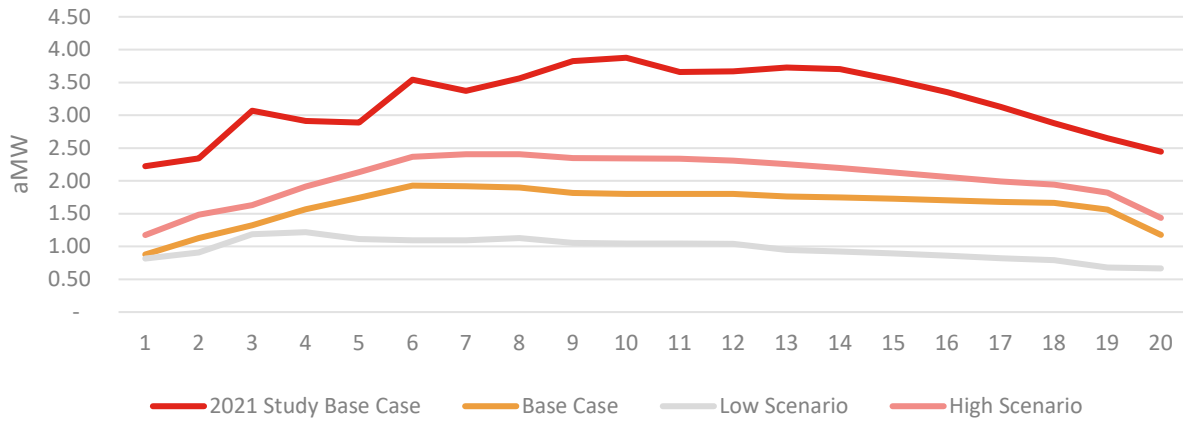
Table 7-3 summarizes results across each avoided input scenario, using Base Case load forecasts and measure acquisition rates.

TABLE 7-3: COST-EFFECTIVE POTENTIAL – AVOIDED COST SCENARIO COMPARISON

	2-Year	4-Year	10-Year	20-Year
Base Case	4.0	9.3	24.1	42.8
Low Scenario	3.7	8.5	18.8	29.5
High Scenario	4.6	19.2	28.3	50.8

Figure 7-1 compares the results of the scenario analysis with the base case from the 2021 assessment.

FIGURE 7-1: SCENARIO COMPARISON



In all cases, the 20-year economic achievable potential is lower compared with the 2021 study due to the factors described in this analysis including changes to the avoided cost, increased efficiency, data center growth, and historic achievements.

8 Summary

This report summarizes the results of the 2023 CPA conducted for the District. The assessment provides estimates of energy savings by sector for the period 2024 to 2043 with a focus on the first 10 years of the planning period, as required by the EIA. The assessment considered a wide range of conservation resources that are reliable, available, and cost effective within the 20-year planning period.

The cost-effective potential identified in this report is a low cost and low risk resource and helps to keep future electricity costs to a minimum. Additionally, conservation achievements inherently provide capacity savings to the District. Relative to the values used in the 2021 CPA, many of the avoided cost assumptions have decreased including energy value estimates. These changes reduced the 20-year potential estimate due to decreased cost-effectiveness.

8.1 METHODOLOGY AND COMPLIANCE WITH STATE MANDATES

The energy efficiency potential reported in this document is calculated using methodology consistent with the Council’s methodology for assessing conservation resources. Appendix III documents the development of conservation targets for each WAC 194-37-070 requirement and describes how each item was completed. Utility-specific data regarding customer characteristics, service-area composition, and historic conservation achievements were used, in conjunction with the measures identified by the Council, to determine available energy-efficiency potential. This close connection with the Council methodology enables compliance with the Washington EIA.

Three types of energy-efficiency potential were calculated: technical, achievable, and economic. Most of the results shown in this report are the economic potential, or the potential that is cost effective in the District’s service territory. The economic and achievable potential considers savings that will be captured through utility program efforts, market transformation and implementation of codes and standards. Often, realization of full savings from a measure will require efforts across all three areas. Historic efforts to measure the savings from codes and standards have been limited, but regional efforts to identify and track savings are increasing as they become an important component of the efforts to meet aggressive regional conservation targets.

8.2 CONSERVATION TARGETS

The EIA states that utilities must establish a biennial target that is “no lower than the qualifying utility’s pro rata share for that two-year period of its cost-effective conservation potential for the subsequent ten-year period.”¹⁰ However, the State Auditor’s Office has stated that:

The term pro-rata can be defined as equal portions but it can also be defined as a proportion of an “exactly calculable factor.” For the purposes of the Energy

¹⁰ RCW 19.285.040 Energy conservation and renewable energy targets.

Independence Act, a pro-rata share could be interpreted as an even 20 percent of a utility's 10-year assessment but state law does not require an even 20 percent.¹¹

The State Auditor's Office expects that qualifying utilities have analysis to support targets that are more or less than the 20 percent of the ten-year assessments. This document serves as support for the target selected by the District and approved by its Commission.

8.3 SUMMARY

This study shows a range of conservation target scenarios. These scenarios are estimates based on the set of assumptions detailed in this report and supporting documentation and models. Due to the uncertainties discussed in the Introduction section of this report, actual available and cost-effective conservation may vary from the estimates provided in this report.

¹¹ State Auditor's Office. Energy Independence Act Criteria Analysis. Pro-Rata Definition. CA No. 2011-03. https://www.sao.wa.gov/local/Documents/CA_No_2011_03_pro-rata.pdf.

9 References

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Appendix I – Acronyms

ALH – Average Load Hours
aMW – Average Megawatt
BCR – Benefit-Cost Ratio
BPA – Bonneville Power Administration
CETA – Clean Energy Transformation Act
CPA – Conservation Potential Assessment
DVR – Demand voltage reduction
EIA – Energy Independence Act
ERWH – Electric Resistance Water Heater
EUI – Energy Use Intensity
GPM – Gallons per minute
HLH – Heavy load hour energy
HPWH – Heat Pump Water Heater
HVAC – Heating, ventilation and air-conditioning
IRP – Integrated Resource Plan
kW – kilowatt
kWh – kilowatt-hour
LED – Light-emitting diode
LLH – Light load hour energy
MW – Megawatt
MWh – Megawatt-hour
NEEA – Northwest Energy Efficiency Alliance
NPV – Net Present Value
O&M – Operation and Maintenance
RPS – Renewable Portfolio Standard
RTF – Regional Technical Forum
TRC – Total Resource Cost
UC – Utility Cost

Appendix II – Glossary

7th Power Plan: Seventh Northwest Conservation and Electric Power Plan, Feb 2016. A regional resource plan produced by the Northwest Power and Conservation Council (Council).

2021 Power Plan: A regional resource plan produced by the Northwest Power and Conservation Council (Council). At the time of this study, the Final plan is scheduled to be released in early 2022.

Average Megawatt (aMW): Average hourly usage of electricity, as measured in megawatts, across all hours of a given day, month or year.

Avoided Cost: Refers to the cost of the next best alternative. For conservation, avoided costs are usually market prices.

Achievable Potential: Conservation potential that takes into account how many measures will actually be implemented after considering market barriers. For lost-opportunity measures, there is only a certain number of expired units or new construction available in a specified time frame. The Council assumes 85% of all measures are achievable. Sometimes achievable potential is a share of economic potential, and sometimes achievable potential is defined as a share of technical potential.

Cost Effective: A conservation measure is cost effective if the present value of its benefits is greater than the present value of its costs. The primary test is the Total Resource Cost test (TRC), in other words, the present value of all benefits is equal to or greater than the present value of all costs. All benefits and costs for the utility and its customers are included, regardless of who pays the costs or receives the benefits.

Economic Potential: Conservation potential that considers the cost and benefits and passes a cost-effectiveness test.

Levelized Cost: Resource costs are compared on a levelized-cost basis. Levelized cost is a measure of resource costs over the lifetime of the resource. Evaluating costs with consideration of the resource life standardizes costs and allows for a straightforward comparison.

Lost Opportunity: Lost-opportunity measures are those that are only available at a specific time, such as new construction or equipment at the end of its life. Examples include heat-pump upgrades, appliances, or premium HVAC in commercial buildings.

MW (megawatt): 1,000 kilowatts of electricity. The generating capacity of utility plants is expressed in megawatts.

Non-Lost Opportunity: Measures that can be acquired at any time, such as installing low-flow shower heads.

Northwest Energy Efficiency Alliance (NEEA): The alliance is a unique partnership among the Northwest region's utilities, with the mission to drive the development and adoption of energy-efficient products and services.

Northwest Power and Conservation Council “The Council”: The Council develops and maintains a regional power plan and a fish and wildlife program to balance the Northwest's environment and energy needs. Their three tasks are to: develop a 20-year electric power plan that will guarantee adequate and reliable energy at the lowest economic and environmental cost to the Northwest; develop a program to protect and rebuild fish and wildlife populations affected by hydropower development in the Columbia River Basin; and educate and involve the public in the Council's decision-making processes.

Regional Technical Forum (RTF): The Regional Technical Forum (RTF) is an advisory committee established in 1999 to develop standards to verify and evaluate conservation savings. Members are appointed by the Council and include individuals experienced in conservation program planning, implementation and evaluation.

Renewable Portfolio Standards: Washington state utilities with more than 25,000 customers are required to meet defined percentages of their load with eligible renewable resources by 2012, 2016, and 2020.

Retrofit (discretionary): Retrofit measures are those that can be replaced at any time during the unit's life. Examples include lighting, shower heads, pre-rinse spray heads, or refrigerator decommissioning.

Technical Potential: Technical potential includes all conservation potential, regardless of cost or achievability. Technical potential is conservation that is technically feasible.

Total Resource Cost Test (TRC): This test is used by the Council and nationally to determine whether or not conservation measures are cost effective. A measure passes the TRC if the ratio of the present value of all benefits (no matter who receives them) to the present value of all costs (no matter who incurs them) is equal to or greater than one.

Appendix III – Documenting Conservation Targets

References:

- 1) Report – “Grant County PUD Amended Conservation Potential Assessment: 2024-2043”.
Final Report – May 3, 2024.
- 2) Model – “Amended 2023-Grant PUD-CPA – Base Case.xlsm” and supporting files
 - a. MC_and_Loadshape-GCPUD-Base.xlsm – referred to as “MC and Loadshape file” – contains price and load shape data

WAC 194-37-070 Documenting Development of Conservation Targets; Utility Analysis Option		
NWPCC Methodology	EES Consulting Procedure	Reference
<p>a) Technical Potential: Determine the amount of conservation that is technically feasible, considering measures and the number of these measures that could physically be installed or implemented, without regard to achievability or cost.</p>	<p>The model includes estimates for stock (e.g. number of homes, square feet of commercial floor area, industrial load) and the number of each measure that can be implemented per unit of stock. The technical potential is further constrained by the amount of stock that has already completed the measure.</p>	<p>Model – the technical potential is calculated as part of the achievable potential, described below.</p>
<p>b) Achievable Potential: Determine the amount of the conservation technical potential that is available within the planning period, considering barriers to market penetration and the rate at which savings could be acquired.</p>	<p>The assessment conducted for the District used ramp rate curves to identify the amount of achievable potential for each measure. Those assumptions are for the 20-year planning period. An additional factors ranging from 85% to 95% were included to account for market barriers in the calculation of achievable potential. This factor comes from a study conducted in Hood River where home weatherization measures were offered for free and program administrators were able to reach more than 85% of home owners.</p>	<p>Model – the use of these factors can be found on the sector measure tabs, such as ‘Residential Measures’. Additionally, the complete set of ramp rates used can be found on the ‘Ramp Rates’ tab.</p>

WAC 194-37-070 Documenting Development of Conservation Targets; Utility Analysis Option

NWPC Methodology	EES Consulting Procedure	Reference
<p>c) Economic Achievable Potential: Establish the economic achievable potential, which is the conservation potential that is cost-effective, reliable, and feasible, by comparing the total resource cost of conservation measures to the cost of other resources available to meet expected demand for electricity and capacity.</p>	<p>Benefits and costs were evaluated using multiple inputs; benefit was then divided by cost. Measures achieving a benefit-cost ratio greater than one were tallied. These measures are considered achievable and cost-effective (or economic).</p>	<p>Model – Benefit-Cost ratios are calculated at the individual level by ProCost and passed up to the model.</p>
<p>d) Total Resource Cost: In determining economic achievable potential, perform a life-cycle cost analysis of measures or programs</p>	<p>The life-cycle cost analysis was performed using the Council’s ProCost model. Incremental costs, savings, and lifetimes for each measure were the basis for this analysis. The Council and RTF assumptions were utilized.</p>	<p>Model – supporting files include all of the ProCost files used in the 2021 Power Plan. The life-cycle cost calculations and methods are identical to those used by the Council.</p>
<p>e) Conduct a total resource cost analysis that assesses all costs and all benefits of conservation measures regardless of who pays the costs or receives the benefits</p>	<p>Cost analysis was conducted per the Council’s methodology. Capital cost, administrative cost, annual O&M cost and periodic replacement costs were all considered on the cost side. Energy, non-energy, O&M and all other quantifiable benefits were included on the benefits side. The Total Resource Cost (TRC) benefit cost ratio was used to screen measures for cost-effectiveness (i.e., those greater than one are cost-effective).</p>	<p>Model – the “Measure Info Rollup” files pull in all the results from each avoided cost scenario, including the BC ratios from the ProCost results. These results are then linked to by the Conservation Potential Assessment model. The TRC analysis is done at the lowest level of the model in the ProCost files.</p>
<p>f) Include the incremental savings and incremental costs of measures and replacement measures where resources or measures have different measure lifetimes</p>	<p>Savings, cost, and lifetime assumptions from the Council’s Final 2021 Power Plan Supply Curves, and RTF were used.</p>	<p>Model – supporting files include all of the ProCost files used in the 2021 Plan, with later updates made by the RTF. The life-cycle cost calculations and methods are identical to those used by the Council.</p>

WAC 194-37-070 Documenting Development of Conservation Targets; Utility Analysis Option

NWPC Methodology	EES Consulting Procedure	Reference
g) Calculate the value of energy saved based on when it is saved. In performing this calculation, use time differentiated avoided costs to conduct the analysis that determines the financial value of energy saved through conservation	The Council's 2021 Power Plan measure load shapes were used to calculate time of day of savings and measure values were weighted based upon peak and off-peak pricing. This was handled using the Council's ProCost tool, so it was handled in the same way as the 2021 Power Plan models.	Model – See MC_AND_LOADSHAPE files for load shapes. The ProCost files handle the calculations.
h) Include the increase or decrease in annual or periodic operations and maintenance costs due to conservation measures	Operations and maintenance costs for each measure were accounted for in the total resource cost per the Council's assumptions.	Model – the ProCost files contain the same assumptions for periodic O&M as the Council and RTF.
i) Include avoided energy costs equal to a forecast of regional market prices, which represents the cost of the next increment of available and reliable power supply available to the utility for the life of the energy efficiency measures to which it is compared	The Council's April 2023 Baseline market price forecast was used to value energy in the Base Case Scenario.	Report – See Appendix IV. Model – See MC_AND_LOADSHAPE files ("2021P Electric Mid" worksheet).
j) Include deferred capacity expansion benefits for transmission and distribution systems	Deferred transmission capacity expansion benefits were given a benefit of \$3.83/kW-year in the cost-effectiveness analysis. A distribution system credit of \$8.83/kW-year was also used (\$2023). These values were developed by the Council in preparation for the 2021 Power Plan.	Model – this value can be found on the ProData page of each ProCost file.
k) Include deferred generation benefits consistent with the contribution to system peak capacity of the conservation measure	Deferred generation capacity expansion benefits were given a value of \$104/kW-year in the cost effectiveness analysis for the Base Case Scenario. This is based upon the District's marginal cost for generation capacity. See Appendix IV for further discussion of this value.	Model – this value can be found on the ProData page of the ProCost V.4.006 ProData page.
l) Include the social cost of carbon emissions from avoided non-conservation resources	This CPA uses the social cost of carbon values specified in WAC 194-40-100	The MC_AND_LOADSHAPE files contain the carbon cost assumptions for each avoided cost scenario.

**WAC 194-37-070 Documenting Development of Conservation
Targets; Utility Analysis Option**

NWPCC Methodology	EES Consulting Procedure	Reference
m) Include a risk mitigation credit to reflect the additional value of conservation, not otherwise accounted for in other inputs, in reducing risk associated with costs of avoided non-conservation resources	In this analysis, risk was considered by varying avoided cost inputs and analyzing the variation in results. Rather than an individual and non-specific risk adder, our analysis included a range of possible values for each avoided cost input.	The scenarios section of the report documents the inputs used and the results associated. Appendix IV discusses the risk adders used in this analysis.
n) Include all non-energy impacts that a resource or measure may provide that can be quantified and monetized	Quantifiable non-energy benefits were included where appropriate. Assumptions for non-energy benefits are the same as in the Council's 2021 Power Plan. Non-energy benefits include, for example, water savings from clothes washers.	Model – the ProCost files contain the same assumptions for non-power benefits as the Council and RTF. The calculations are handled in ProCost.
o) Include an estimate of program administrative costs	Total costs were tabulated and an estimated 20% of the total was assigned as the administrative cost. This value is consistent with regional average and BPA programs. The 20% value was used in the Fifth, Sixth, Seventh Power plans and 2021 Power Plan.	Model – this value can be found on the ProData page of the ProCost V.4.006 ProData page.
p) Include the cost of financing measures using the capital costs of the entity that is expected to pay for the measure	Costs of financing measures were included utilizing the same assumptions from the 2021 Power Plan.	Model – this value can be found on the ProData page of the ProCost V.4.006 ProData page.
q) Discount future costs and benefits at a discount rate equal to the discount rate used by the utility in evaluating non-conservation resources	Discount rates were applied to each measure based upon the Council's methodology. A real discount rate of 3.75% was used, based on the Council's most recent analyses in support of the 2021 Power Plan.	Model – this value can be found on the ProData page of the ProCost V.4.006 ProData page.
r) Include a ten percent bonus for the energy and capacity benefits of conservation measures as defined in 16 U.S.C. § 839a of the Pacific Northwest Electric Power Planning and Conservation Act	A 10% bonus was added to all measures in the model parameters per the Conservation Act.	Model – this value can be found on the ProData page of the ProCost V.4.006 ProData page.

Appendix IV – Avoided Cost and Risk Exposure

The 2023 District (District) Conservation Potential Assessment (CPA) was conducted for the period 2024 through 2043 as required under RCW 19.285 and WAC 194.37. According to WAC 197.37.070, the District must evaluate the cost-effectiveness of conservation by setting avoided energy costs equal to a forecast of regional market prices. In addition, several other components of the avoided cost of energy efficiency savings must be evaluated including generation capacity value, transmission and distribution costs, risk, and the social cost of carbon.

This appendix describes each of the avoided cost assumptions and provides a range of values that were evaluated in the 2021 CPA. The 2023 CPA considers three avoided cost scenarios: Base, Low, and High. Each of these is discussed below.

Avoided Energy Value

For the purposes of the 2023, EES used the Council’s April 2023 market price forecasts. The Baseline forecast is used in the Base and Low scenarios. This price forecast reflects the large amount of renewable energy forecast to come online in the next 20 years. The high scenario assumes the High Westside Demand forecast scenario developed by the Council. In this scenario, electricity demand is increased on the West side of the Region due to aggressive electrification goals.

Avoided Cost Adders and Risk

From a total resource cost perspective, energy efficiency provides multiple benefits beyond the avoided cost of energy. These include deferred capital expenses on generation, transmission, and distribution capacity; as well as the reduction of required renewable energy credit (REC) purchases, avoided social costs of carbon emissions, and the reduction of utility resource portfolio risk exposure. Since energy efficiency measures provide both peak demand and energy savings, these other benefits are monetized as value per unit of either kWh or kW savings.

FIGURE IV-1: OVERVIEW OF PORTFOLIO REQUIREMENTS

Energy-Based	Capacity Based
<ul style="list-style-type: none"> • Social Cost of Carbon • Renewable Energy Credits • GHG-Free or Neutral Resources • Risk Reduction Premium 	<ul style="list-style-type: none"> • Generation Capacity Deferral • Transmission Capacity Deferral • Distribution Capacity Deferral

The estimated values and associated uncertainties for these avoided cost components are based on relevant portfolio requirements from the Clean Energy Transformation Act (CETA). The timeline below summarizes the relevant milestones for portfolio planning. The type of energy the District will need to procure is based on these requirements; therefore, the requirements set the avoided cost as it relates to capacity, renewable, and GHG-free power supply.

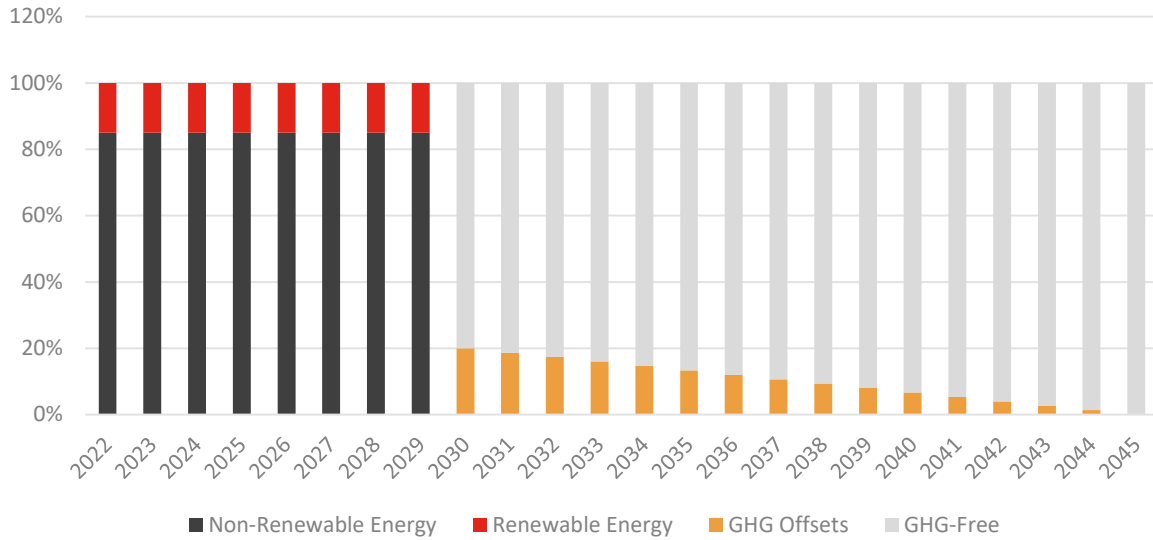
FIGURE IV-2: OVERVIEW OF PORTFOLIO REQUIREMENTS

Through 2030, the District must meet the renewable portfolio standard (RPS) set for Washington State Utilities of 15% of the system load. The RPS can be met through either bundled or unbundled RECs. Next, CETA establishes a 100% GHG neutral requirement by 2030. The requirement states that at least 80% of a utility’s portfolio must be sourced directly from either renewable¹² or non-emitting resources.¹³ A utility may then meet the mandate by purchasing no more than 20% of its portfolio in offsets such as unbundled REC purchases. The offsets will then be phased out by 2045 as shown in Figure IV-3.

¹² Renewable resources include water, wind, solar energy, geothermal, renewable natural gas, renewable hydrogen, wave, ocean or tidal power, and biodiesel not derived from crops raised on land cleared from old growth forest or first growth, or biomass. (Chapter 173-444 WAC available at: <https://ecology.wa.gov/DOE/files/c0/c08b45ae-7140-4b30-a3c2-faf8aa042651.pdf>).

¹³ Non-emitting resources are those that generate electricity, or provide capacity of ancillary services to an electric utility that do not emit greenhouse gases as a by-product. *See id.*

FIGURE IV-3: SUMMARY OF RPS AND CETA PORTFOLIO REQUIREMENTS



Social Cost of Carbon

The social cost of carbon is a cost that society incurs when fossil fuels are burned to generate electricity. Both the EIA rules and CETA requires that CPAs include the social cost of carbon when evaluating cost effectiveness using the total resource cost test (TRC). CETA further specifies the social cost of carbon values to be used in conservation and demand response studies. These values are shown in Table IV-1 below.

TABLE IV-1: SOCIAL COST OF CARBON VALUES¹⁴

Year in Which Emissions Occur or Are Avoided	Social Cost of Carbon Dioxide (in 2007 dollars per metric ton)	Social Cost of Carbon Dioxide (in 2018 dollars per metric ton)
2020	\$62	\$74
2025	\$68	\$81
2030	\$73	\$87
2035	\$78	\$93
2040	\$84	\$100
2045	\$89	\$106
2050	\$95	\$113

¹⁴ WAC 194-40-100. Available at: <https://apps.leg.wa.gov/wAc/default.aspx?cite=194-40-100&pdf=true>.

According to WAC 194-40-110, values may be adjusted for any taxes, fees or costs incurred by utilities to meet portfolio mandates.¹⁵ For example, the social cost of carbon is the full value of carbon emissions which includes the cost to utilities and ratepayers associated with moving to non-emitting resources. Rather than adjust the social cost of carbon for the cost of RECs or renewable energy, the values for RECS and renewable energy are excluded from the analysis to avoid double counting.

The emissions intensity of the marginal resource (market) is used to determine the \$/MWh value for the social cost of carbon. Ecology states that unspecified resources should be given a carbon intensity value of 0.437 metric tons of CO₂e/MWh of electricity (0.874 lbs/kWh).¹⁶ This is an average annual value applied to in all months in the conservation potential model.¹⁷

Avoided Renewable Energy Purchases

Renewable energy purchases need to meet both RPS and CETA and can be avoided through conservation. Utilities may meet Washington RPS through either bundled energy purchases such as purchasing the output of a wind resource where the non-energy attributes remain with the output, or they may purchase unbundled RECs.

As stated above, the value of avoided renewable energy credit purchases resulting from energy efficiency is accounted for within the social cost of carbon construct. The social cost of carbon already considers the cost of moving from an emitting resource to a non-emitting resource. Therefore, it is not necessary to include an additional value for renewable energy purchases prior to 2045 when all energy must be non-emitting or renewable.

Beginning in 2045, the social cost of carbon may no longer be an appropriate adder in resource planning. However, prior to 2045 utilities may still use offsets to meet CETA requirements. Since the study period of this evaluation ends prior to 2045, the avoided social cost of carbon is included in each year. For future studies that extend to 2045 and beyond, it would be appropriate to include renewable energy or non-emitting resource costs as the avoided cost of energy rather than market plus the social cost of carbon.

Risk Adder

In general, the risk that any utility faces is that energy efficiency will be undervalued, either in terms of the value per kWh or per kW of savings, leading to an under-investment in energy efficiency and exposure to higher market prices or preventable investments in infrastructure. The converse risk—an over-valuing of energy and subsequent over-investment in energy efficiency—is also possible, albeit less likely. For example, an over-investment would occur if an assumption is made that economies will remain basically the same as they are today, and subsequent sector shifts or economic downturns cause large industrial

¹⁵ WAC 194-40-110 (b).

¹⁶ WAC 173-444-040 (4).

¹⁷ The seasonal nature of carbon intensity is not modeled due to the prescriptive annual value established by Ecology in WAC 173-444-040.

customers to close their operations. Energy efficiency investments in these facilities may not have been in place long enough to provide the anticipated low-cost resource.

In order to address risk, the Council develops a risk adder (\$/MWh) for its cost-effectiveness analysis of energy efficiency measures. This adder represents the value of energy efficiency savings not explicitly accounted for in the avoided cost parameters. The risk adder is included to ensure an efficient level of investment in energy efficiency resources under current planning conditions. Specifically, in cases where the market price has been low compared to historic levels, the risk adder accounts for the likely possibility that market prices will increase above current forecasts.

The value of the risk adder has varied depending on the avoided cost input values. The adder is the result of stochastic modeling and represents the lower risk nature of energy efficiency resources. In the Sixth Power Plan the risk adder was significant (up to \$50/MWh for some measures). In the Seventh Power Plan the risk adder was determined to be \$0/MWh after the addition of the generation capacity deferral credit. The 2021 Power Plan used the same methodology as the Seventh Plan. While the Council uses stochastic portfolio modeling to value the risk credit, utilities conduct scenario and uncertainty analysis. The scenarios modeled in the District's CPA include an inherent value for the risk credit such as higher market prices due to a number of factors including electrification, and increased renewables integrated onto the grid.

For the District's 2023 CPA, the avoided cost parameters have been estimated explicitly, and a scenario analysis is performed. Therefore, no risk adder was used for the base case. Variation in other avoided cost inputs covers a range of reasonable outcomes and is sufficient to identify the sensitivity of the cost-effective energy efficiency potential to a range of outcomes. The scenario results present a range of cost-effective energy efficiency potential, and the identification of the District's biennial target based on the range modeled is effectively selecting the utility's preferred risk strategy and associated risk credit.

Deferred Transmission and Distribution System Investment

Energy efficiency measure savings reduce capacity requirements on both the transmission and distribution systems. The Council's 2021 Power assumes these avoided costs are \$3.83/kW-year and \$8.5/kW-year for transmission and distribution systems, respectively (\$2023).¹⁸ These assumptions are used in all scenarios in the CPA.

Deferred Investment in Generation Capacity

Beginning in October 2023, the District will be a load following customer of BPA. As a load following customer, the District's avoided cost of capacity is built into BPA's preference rates. BPA demand rates

¹⁸ Northwest Power and Conservation Council Memorandum to the Power Committee Members. Subject; Updated Transmission & Distribution Deferral Value for the 2021 Power Plan. March 5, 2019. Available at: https://www.nwcouncil.org/sites/default/files/2019_0312_p3.pdf.

are escalated 3% each rate period (every two years).¹⁹ Over the 20-year analysis period, the resulting cost of avoided capacity is \$104/kW-year (2023\$) in levelized terms.

In the Council’s 2021 Power Plan,²⁰ a generation capacity value of \$143/kW-year was explicitly calculated (\$2023). This value is used in the high scenario.

Summary of Scenario Assumptions

Table IV-2 summarizes the recommended scenario assumptions. The Base Case represents the most likely future.

TABLE IV-2: AVOIDED COST ASSUMPTIONS BY SCENARIO, \$2023

	Base	Low	High
Energy	NWPCC April 2023 Baseline Price Forecast	10% lower than NWPCC April 2023 Price Forecast	NWPCC April 2023 High Westside Demand
Social Cost of Carbon, \$/short ton	WAC 194-40-100 \$34/MWh	WAC 194-40-100 \$34/MWh	WAC 194-40-100 \$34/MWh
Avoided Cost of RPS Compliance	Included in Social Cost of Carbon		
Distribution System Credit, \$/kW-yr	\$8.53	\$8.53	\$8.53
Transmission System Credit, \$/kW-yr	\$3.83	\$3.83	\$3.83
Deferred Generation Capacity Credit, \$/kW-yr	\$104	\$0	\$143.18
Implied Risk Adder, 20-year Levelized \$/MWh \$/kW-yr	N/A	Average: -\$1/MWh and -\$104/kW-yr	Average: \$11/MWh and \$39/kW-year

¹⁹ BP-24 Rate Proceeding. July 2023. BP-24-A-02-AP01 Available online: <https://www.bpa.gov/-/media/Aep/rates-tariff/bp-24/Final-Proposal/Appendix-BFinal-Proposal-Power-Rate-Schedules-and-GRSPsBP24A02AP01Rev-1.pdf>.

²⁰ <https://www.nwcouncil.org/energy/powerplan/7/home/>.

Appendix V – Ramp Rate Documentation

This section is intended to document how ramp rates were adjusted to align near term potential with recent achievements of the District programs.

Modelling work began with the 2021 Power Plan ramp rate assignments for each measure. The District’s program achievements from 2020 and estimates for 2021 were compared at a sector level with the first two years of the study period, 2024-2025. This allowed for the identification of sectors where ramp rate adjustments may be necessary.

Table V-1 below shows the results of the comparison by sector after ramp rate adjustments were made.

TABLE V-1 COMPARISON OF SECTOR LEVEL PROGRAM ACHIEVEMENT AND POTENTIAL (AMW)

	Program History				CPA Potential	
	2020	2021	2022*	20-'22 Avg	2024	2025
Residential	0.12	0.12	0.12	0.12	0.08	0.09
Commercial	0.19	0.40	0.09	0.23	0.30	0.36
Industrial (Excluding Data Centers)	0.14	0.94	0.14	0.40	0.09	0.25
Agricultural	0.00	0.00	0.00	0.00	0.08	0.10
NEEA	0.64	0.69	0.13	0.49		
Total	1.08	2.17	0.50	1.25	0.55	0.80

**Projected*

When viewing the achievement and potential at the sector level, adjustments were found to be necessary in the residential and commercial sectors. The 2021 Power Plan ramp rates were found to be a good match for the District programs in the, agricultural sectors. The draft 2021 Power Plan assigns a fast ramp rate to exterior commercial lighting. The ramp rate for these measures was adjusted to smooth potential over the 20-year period (moving from Fast 80 to 20-year ramp rates. This adjustment accounts for COVID impacts in supply chain and program participation observed in 2020 and continuing into 2023. The 2021 Power Plan documents do not consider COVID impacts, therefore, it is appropriate to make the adjustments to the potential in the near-term for purposes of target setting.

Industrial sector savings (non-data center) is adjusted to reflect lower adoption rates in the near term. The District plans industrial energy efficiency projects taking advantage of when data center customers are working on projects. Due to the program funding available and staffing, the District plans to achieve a large share of its biennial savings from data center projects leaving fewer resources for non-datea center industrial programs.

Appendix VI – Measure List

This appendix provides a high-level measure list of the energy efficiency measures evaluated in the 2023 CPA. The CPA evaluated thousands of measures; the measure list does not include each individual measure; rather it summarizes the measures at the category level, some of which are repeated across different units of stock, such as single family, multifamily, and manufactured homes. Specifically, utility conservation potential is modeled based on incremental costs and savings of individual measures. Individual measures are then combined into measure categories to more realistically reflect utility-conservation program organization and offerings. For example, single family attic insulation measures are modeled for a variety of upgrade increments: R-0 to R-38, R-0 to R-49, or R-19 to R-38. The increments make it possible to model measure savings and costs at a more precise level. Each of these individual measures are then bundled across all housing types to result in one measure group: attic insulation.

The following tables list the conservation measures (at the category level) that were used to model conservation potential presented in this report. Measure data was sourced from the Council’s 2021 Plan workbooks. Please note that some measures may not be applicable to an individual utility’s service territory based on characteristics of the utility’s customer sectors.

Table VI-1 Residential End Uses and Measures		
End Use	Measures/Categories	Data Source
Appliances	Heat Pump Clothes Dryer	2021 Power Plan
	Clothes Dryer	2021 Power Plan
	Oven	2021 Power Plan
Electronics	Advanced Power Strips	2021 Power Plan
	Desktop	2021 Power Plan
	Laptop	2021 Power Plan
	Monitor	2021 Power Plan
	Air Cleaners	2021 Power Plan
Food Preparation	Electric Oven	2021 Power Plan
	Microwave	2021 Power Plan
HVAC	Air Source Heat Pump	2021 Power Plan
	Controls, Commissioning, and Sizing	2021 Power Plan
	Central Air Conditioning	2021 Power Plan
	Ductless Heat Pump	2021 Power Plan
	Ducted Heat Pump	2021 Power Plan
	Duct Sealing	2021 Power Plan
	Ground Source Heat Pump	2021 Power Plan
	Heat Recovery Ventilation	2021 Power Plan
	Attic Insulation	2021 Power Plan
	Floor Insulation	2021 Power Plan
	Wall Insulation	2021 Power Plan
	Windows	2021 Power Plan
	Cellular Shades	2021 Power Plan
Whole House Fan	2021 Power Plan	
Wi-Fi Enabled Thermostats	2021 Power Plan	
Lighting	Linear Fluorescent Lighting	2021 Power Plan
	Floor/Table Lamps	2021 Power Plan
	Ceiling and Wall Flush Mount	2021 Power Plan

Table VI-1 Residential End Uses and Measures		
End Use	Measures/Categories	Data Source
	Downlight Fixture	2021 Power Plan
	Exterior Porch	2021 Power Plan
	Linear Porch	2021 Power Plan
	Track Lighting	2021 Power Plan
	Linear Base	2021 Power Plan
	Decorative Base	2021 Power Plan
Refrigeration	Freezer	2021 Power Plan
	Refrigerator	2021 Power Plan
Water Heating	Aerator	2021 Power Plan
	Water Heater Pipe Insulation	2021 Power Plan
	Clothes Washer	2021 Power Plan
	Dishwasher	2021 Power Plan
	Heat Pump Water Heater	2021 Power Plan
	Showerheads	2021 Power Plan
	Solar Water Heater	2021 Power Plan
	Circulator Controls	2021 Power Plan
	Thermostatic Valve	2021 Power Plan
Wastewater Heat Recovery	2021 Power Plan	
Whole Building	EV Charging Equipment	2021 Power Plan
	Behavior	2021 Power Plan
	Well Pump	2021 Power Plan

Table VI-2 Commercial End Uses and Measures		
End Use	Measures/Categories	Data Source
Compressed Air	Controls, Equipment, & Demand Reduction	2021 Power Plan
Electronics	Desktop Computer	2021 Power Plan
	Laptop Computer	2021 Power Plan
	Smart Plug Power Strips	2021 Power Plan
	Data Center Measures	2021 Power Plan
Food Preparation	Combination Ovens	2021 Power Plan
	Convection Ovens	2021 Power Plan
	Fryers	2021 Power Plan
	Hot Food Holding Cabinet	2021 Power Plan
	Steamer	2021 Power Plan
	Pre-Rinse Spray Valve	2021 Power Plan
HVAC	Advanced Rooftop Controller	2021 Power Plan
	Chiller Upgrade	2021 Power Plan
	Commercial Energy Management	2021 Power Plan
	Demand Control Ventilation	2021 Power Plan
	Ductless Heat Pumps	2021 Power Plan
	Economizers	2021 Power Plan
	Secondary Glazing Systems	2021 Power Plan
	Variable Refrigerant Flow	2021 Power Plan
	Web-Enabled Programmable Thermostat	2021 Power Plan
	Fans	2021 Power Plan
PTPH	2021 Power Plan	
Lighting	Bi-Level Stairwell Lighting	2021 Power Plan
	Exterior Building Lighting	2021 Power Plan
	Exit Signs	2021 Power Plan
	Lighting Controls	2021 Power Plan
	Interior Lighting	2021 Power Plan
	Garage Lighting	2021 Power Plan
	Street & Roadway Lighting	2021 Power Plan
Motors/Drives	ECM for Variable Air Volume	2021 Power Plan
	Motor Rewinds	2021 Power Plan
Process Loads	Municipal Water Supply	2021 Power Plan
Refrigeration	Grocery Refrigeration Bundle	2021 Power Plan
	Freezer	2021 Power Plan
Water Heating	Commercial Clothes Washer	2021 Power Plan
	Showerheads	2021 Power Plan
	Clean Water Pumps	2021 Power Plan
	Heat Pump Water Heaters	2021 Power Plan
	Circulator Pumps	2021 Power Plan
Process Loads	Elevators	2021 Power Plan
	Engine Block Heater Control	2021 Power Plan

**Table VI-3
Industrial End Uses and Measures**

End Use	Measures/Categories	Data Source
Compressed Air	Air Compressor Equipment	2021 Power Plan
	Demand Reduction	2021 Power Plan
Energy Management	Air Compressor Optimization	2021 Power Plan
	Energy Project Management	2021 Power Plan
	Fan Energy Management	2021 Power Plan
	Fan System Optimization	2021 Power Plan
	Cold Storage Tune-up	2021 Power Plan
	Chiller Optimization	2021 Power Plan
	Integrated Plant Energy Management	2021 Power Plan
	Plant Energy Management	2021 Power Plan
	Pump Energy Management	2021 Power Plan
	Pump System Optimization	2021 Power Plan
Fans	Efficient Centrifugal Fan	2021 Power Plan
	Fan Equipment Upgrade	2021 Power Plan
Hi-Tech	Clean Room Filter Strategy	2021 Power Plan
	Clean Room HVAC	2021 Power Plan
	Chip Fab: Eliminate Exhaust	2021 Power Plan
	Chip Fab: Exhaust Injector	2021 Power Plan
	Chip Fab: Reduce Gas Pressure	2021 Power Plan
	Chip Fab: Solid State Chiller	2021 Power Plan
Lighting	Efficient Lighting	2021 Power Plan
	High-Bay Lighting	2021 Power Plan
	Lighting Controls	2021 Power Plan
Low & Medium Temp Refrigeration	Food: Cooling and Storage	2021 Power Plan
	Cold Storage Retrofit	2021 Power Plan
	Grocery Distribution Retrofit	2021 Power Plan
Material Handling	Material Handling Equipment	2021 Power Plan
	Material Handling VFD	2021 Power Plan
Metals	New Arc Furnace	2021 Power Plan
Misc.	Synchronous Belts	2021 Power Plan
	Food Storage: CO2 Scrubber	2021 Power Plan
	Food Storage: Membrane	2021 Power Plan
Motors	Motor Rewinds	2021 Power Plan
Paper	Efficient Pulp Screen	2021 Power Plan
	Material Handling	2021 Power Plan
	Premium Control	2021 Power Plan
	Premium Fan	2021 Power Plan
Process Loads	Municipal Sewage Treatment	2021 Power Plan
	Efficient Agitator	2021 Power Plan
Pulp	Effluent Treatment System	2021 Power Plan
	Premium Process	2021 Power Plan
	Refiner Plate Improvement	2021 Power Plan
	Refiner Replacement	2021 Power Plan
	Equipment Upgrade	2021 Power Plan
Pumps	Equipment Upgrade	2021 Power Plan
Transformers	New/Retrofit Transformer	2021 Power Plan
Wood	Hydraulic Press	2021 Power Plan
	Pneumatic Conveyor	2021 Power Plan

**Table VI-3
Agriculture End Uses and Measures**

End Use	Measures/Categories	Data Source
Dairy Efficiency	Efficient Lighting	2021 Power Plan
	Milk Pre-Cooler	2021 Power Plan
	Vacuum Pump	2021 Power Plan
Irrigation	Low Energy Sprinkler Application	2021 Power Plan
	Irrigation Hardware	2021 Power Plan
	Line Pressure Reduction	2021 Power Plan
Lighting	Agricultural Lighting	2021 Power Plan
Process Loads	Circulating Block Heater for Back -Up Generator	2021 Power Plan
	Energy Free Stock Tank	2021 Power Plan
Motors/Drives	Green Motor Rewinds	2021 Power Plan

**Table VI-4
Distribution Efficiency End Uses and Measures**

End Use	Measures/Categories	Data Source
Distribution Efficiency	ECM-1 LDC Voltage Control without VVO & AMI	2021 Power Plan
	ECM-2 & ECM 3 LDC Voltage Control with VVO & AMI	2021 Power Plan

Appendix VII –Energy Efficiency Potential by End-Use

Table VII-1				
Residential Economic Potential (aMW)				
	2 Year	4 Year	10 Year	20 Year
Dryer	0.01	0.01	0.02	0.04
Electronics	0.00	0.00	0.00	0.00
Food Preparation	0.00	0.00	0.00	0.00
HVAC	0.09	0.20	0.73	1.71
Lighting	0.00	0.02	0.17	0.30
Refrigeration	0.00	0.01	0.02	0.05
Water Heating	0.07	0.15	0.51	1.01
Whole Bldg/Meter Level	0.00	0.00	0.00	0.00
Total	0.17	0.38	1.47	3.12

Table VII-2				
Commercial Economic Potential (aMW)				
	2 Year	4 Year	10 Year	20 Year
Compressed Air	0.00	0.00	0.00	0.00
Electronics	0.00	0.00	0.00	0.00
Food Preparation	0.02	0.05	0.11	0.18
HVAC	0.08	0.16	0.37	0.63
Lighting	0.34	0.69	1.75	3.50
Motors/Drives	0.00	0.00	0.00	0.00
Process Loads	0.00	0.00	0.00	0.00
Refrigeration	0.19	0.38	0.97	1.93
Water Heating	0.03	0.05	0.14	0.27
Total	0.66	1.34	3.34	6.52

Table VII-3				
Industrial Economic Potential (aMW)				
	2 Year	4 Year	10 Year	20 Year
Compressed Air	0.03	0.10	0.61	1.45
Fans	0.00	0.00	0.00	0.00
Lighting	0.13	0.43	2.60	6.21
Pumps	0.00	0.00	0.00	0.00
HVAC	0.04	0.15	0.88	2.11
Low Temp Refer	0.03	0.09	0.55	1.32
Med Temp Refer	0.01	0.04	0.25	0.61
All Electric	0.01	0.03	0.19	0.46
Material Processing	0.04	0.13	0.80	1.92
Material Handling	0.05	0.17	1.01	2.42
Melting and Casting	0.03	0.10	0.61	1.45
Other	0.00	0.00	0.00	0.00
Data Centers	0.66	1.5	2.8	3.5
Total	1.00	2.68	9.69	19.96

Table VII-4				
Agricultural Economic Potential (aMW)				
	2 Year	4 Year	10 Year	20 Year
Irrigation	0.06	0.18	0.53	1.06
Lighting	0.03	0.04	0.06	0.07
Motors/Drives	0.08	0.25	0.78	1.59
Process Loads	0.00	0.00	0.00	0.00
HVAC	0.00	0.00	0.00	0.00
Refrigeration	0.01	0.02	0.12	0.28
Total	0.18	0.49	1.49	3.01

Motion was made by _____ and seconded by _____ authorizing the General Manager/CEO to execute Change Order No. 6 to Contract 430-10804 with Universal Protection Services, LP dba Allied Universal Security Services, increasing the not-to-exceed contract amount by \$3,000,000.00 for a new 2 -year extension to July 2, 2026 and resetting the delegated authority levels to the authority granted to the General Manager/CEO per Resolution No. 8609 for charges incurred as a result of Change Order No. 6.

MEMORANDUM

May 13, 2024

TO: Richard Wallen, General Manager/Chief Executive Officer

VIA: Fallon Long, Managing Director of Integrated Operational Services

FROM: George Hainer, Security Manager

SUBJECT: Contract 430-10804 Professional Security and Security Patrol Services

Purpose:

Request Commission approval for a 2-year extension on Contract 430-10804 to Allied Universal Security Services for Professional Security Services to July 2nd, 2026, and an additional \$3,000,000 to the not-to-exceed amount (Contract total of \$7,500,000).

Discussion:

Grant PUD has utilized contracted security services since 2012. The current 3-year contract with Allied Universal Security Services No. 430-10804 expires on July 2, 2024.

In 2021 Grant PUD submitted a request for proposal and received 7 responses. Allied Universal now owns the three top companies from that RFP Process (Star Protection Services, G4S Security Services, and Allied Universal). Since Allied Universal purchased Star Protection and took over our contract, we have been happy with the services they have provided.

12% overall increase to rates.

Increases over the period of the existing contract have not kept up inflation and market rates. This has led to challenges for Allied Universal to recruit and retain quality Security Professionals. Much of this change will bring the bill rates and corresponding pay rates to a competitive level in the tight job market.

A small part of this increase is due to the state mandated increase to the minimum exempt salary. To minimize the impact of this increase, the management structure has been changed to remove the salaried Assistant Account Manager and provide the Account Manager support through Site Supervisors for each of our three primary locations.

Support items, such as vehicles, have been limited to the 5% increase of the current contract.

About the District's Security Program

Security Officers are responsible for:

- Asset Protection
- Response

- Surveillance and patrols (268 cameras and 361 access points)
- Incident tracking and reporting (unsecured access points, suspicious activities, burglar alarms, etc.)
- De-escalation
- Personnel standbys (HR disciplinary, management support, etc.)

Security Officer Coverage:

Each of our primary locations will have 24/7 coverage as outlined below:

- Power Delivery:
 - Moses Lake Local Office: a single officer 50 hours per week 7 am 5 pm Monday – Friday. To support customer service operations at the Moses Lake Local Office.
 - Power Delivery Patrol: a single officer for 86 hours per week outside of business hours. Patrols and conducts security inspections of substations, customer service offices, service centers and recreation sites.
 - Power Delivery Supervisor: a single working supervisor 40 hours per week. Conducts the Power Delivery Patrol 4 days a week and has 1 admin shift to conduct tasks related to the operation of the contract (Scheduling, pay, Officer assessments, vehicle maintenance)
- Priest Rapids Dam:
 - Priest Rapids Patrol: a single officer for 136 hours per week. Patrols and conducts security inspections of the dam, support facilities, and nearby recreation sites.
 - Priest Rapids Supervisor: a single working supervisor 40 hours per week. Conducts the Priest Rapids Patrol 4 days a week and has 1 admin shift to conduct tasks related to the operation of the contract (Scheduling, pay, Officer assessments, vehicle maintenance)
- Wanapum:
 - Hydro Office Building: a single officer 24 hours a week Friday through Sunday. To support the operation of the Grant PUD Visitor Center and provide a point of contact for contractors and employees on off hours.
 - Wanapum Patrol: a single officer for 112 hours per week. Patrols and conducts security inspections of the dam, support facilities, and nearby recreation sites.
 - Wanapum Supervisor: a single working supervisor 40 hours per week. Conducts the Wanapum Patrol 4 days a week and has 1 admin shift to conduct tasks related to the operation of the contract (Scheduling, pay, Officer assessments, vehicle maintenance)

Seasonal Officers:

The security Department provides contract security coverage to patrol recreation sites and assist District staff in enforcing recreation site rules. The nature of this coverage is very dynamic, driven by anticipated recreation site use and adjusted accordingly.

Tentatively we provide the coverage below, seasonally up to 24 weeks:

- Recreation Patrols:
 - Priest Rapids Recreation Area Patrol: a single officer for 24 hours per week Friday through Sunday. Patrols the larger recreation area to address security and safety issues. Interacts with and educates visitors on the recreation site rules. Assists the Grant PUD lands crew with campground coordination.
 - Crescent Bar Patrol: a single officer for 80 hours per week Friday through Sunday. Patrols the larger recreation area to address security and safety issues. Interacts with and educates visitors on the recreation site rules. Assists the CWMG crew with campground coordination.

Justification:

Allied Universal’s reputation and market share in the industry differentiates themselves from their competitors. In the time since they took over the contract, they have demonstrated quality service through training, professionalism, leadership involvement, investment in their employees and dedicated support to their clients. Their professionalism and expertise are what we are looking for in a security services provider.

Their size and prevalence in the region bring to bear a wide pool of resources that allows them to continue to provide that quality service. The autonomy and responsibility provided to our Account Manager allows them to provide a service tailored to our unique needs.

Financial Considerations:

The not-to-exceed amount for the previous 3-year contract was \$4,500,000. We are seeking an additional \$3,000,000 to extend the service term to July 2nd, 2026. The new Allied Universal rates were compared to the current market estimates in our area and their rates were found to be fair and reasonable.

Estimated Cost on Annual Basis:

Contract Company	Annual Cost
Allied Universal: 1 st Year	\$1,143,813.90
Allied Universal: 2 nd Year	\$1,201,004.60

The contract is committed to bringing value to the Grant PUD operations and utilizing our diverse force to bring on functions that save dollars and resource allocations such as after-hours response. Security will continue to explore additional opportunities to create cost savings and bring value to the Utility.

Other Options Considerations:

The Security Department has considered alternative options outside of working with a contractor. However, to meet compliance obligations without security services, the Utility would need to hire approximately 22 internal employees. This option reduces flexibility and scalability of the security force and is more expensive.

Contract Specifics:

- This Contract will remain in effect until July 2nd, 2026 or Grant PUD may terminate the Contractor's services in part or in its entirety any time pursuant of Section 17 of the Contract.
- Compensation for services rendered and all reimbursable costs shall be per the rates set forth in *Appendix "A" Rate Schedule*. Any changes to rates and costs shall only be on a prospective basis and shall occur no more frequently than once every 12 months thereafter. Each such change shall not exceed the lesser of i) 5% or ii) the percentage increase in the Bureau of Labor Statistics Consumer Price Index (CPI-U).

Recommendation:

Security recommends Commission approve the extension of Contract No. 430-10804 with a new not-to-exceed Contract amount of \$7,500,000.

Legal Review: See attached e-mail(s).

From: [Fallon Long](#)
To: [George Hainer](#)
Cc: [Guy Wanner](#); [Dean Hallatt](#)
Subject: RE: Security Services Contract Extension Commission Memo
Date: Monday, May 13, 2024 3:59:30 PM
Attachments: [image001.jpg](#)

Hi all,

Thank you for the chance to review. I approve this memo moving forward, do I need to initial?

From: George Hainer <Ghainer@gcpud.org>
Sent: Monday, May 13, 2024 10:18 AM
To: Fallon Long <flong@gcpud.org>
Cc: Guy Wanner <gwanner@gcpud.org>; Dean Hallatt <dhallatt@gcpud.org>
Subject: Security Services Contract Extension Commission Memo

Fallon,

Can you please review the attached Commission Memo related to the extension of the Security Services Contract with Allied Universal. I am wide open to your input on this.

If you approve, can you include Guy in your response.

Thank you,

George Hainer, PSP®
Security Manager

OFFICE 509.237.9007
EXT. 3133
EMAIL ghainer@gcpud.org



grantpud.org

CHANGE ORDER
NO. 6

Pursuant to Section 5, the following changes are hereby incorporated into this Contract:

A. Description of Change:

1. Replace Section 1.A.9, Breakdown of Services, in its entirety with the following:

9. Breakdown of Services

a. Priest Rapids Hydro Project

- 1) Contractor shall staff one Security Officer position 24 hours per day, seven days per week that will patrol Wanapum Dam and recreation facilities.
- 2) Contractor shall staff one Security Officer position 24 hours per day, seven days per week that will patrol Priest Rapids Dam and recreation facilities.
- 3) The Security Officers will observe and report, deter and/or detect activities potentially detrimental to District personnel, operations, and assets.
- 4) Contractor will provide each assigned Security Officer with a vehicle clearly marked as security patrol. Potential weather conditions and response areas are best served by 4WD or AWD vehicles.

b. Power Delivery Patrol

- 1) Contractor shall staff one Security Officer position 24 hours per day, seven days per week that will patrol the electric system and recreation facilities.
- 2) The Security Officer will observe and report, deter and/or detect activities potentially detrimental to District personnel, operations, and assets.
- 3) Contractor will provide the Security Officer with a vehicle clearly marked as security patrol. Potential weather conditions and response areas are best served by 4WD or AWD vehicles.
- 4) During business hours the Power Delivery Patrol officer will man the Moses Lake Local Office Desk post.

c. Account Manager

- 1) Contractor will provide one Account Manager that will maintain Contractor equipment, conduct administrative tasks, security investigations, coordinate Security Officer activities including patrol routes, training, and provide support to Security Officers on shift.

- 2) The Account Manager will coordinate all Contract security functions at the District with District Security Management direction and support.
- 3) The Account Manager will work with the Security Manager and Security Supervisor to complete investigations of all reported security incidents. These investigations will include coordination with law enforcement for evidence preservation, interviews, and written reports.
- 4) The Account Manager will assist the Security Manager and Security Supervisor in conduct of site security assessments and development of mitigation and response plans.
- 5) The Account Manager will observe and report, deter and/or detect activities potentially detrimental to the District's personnel, operations, and assets.

d. Site Supervisors

- 1) Contractor will provide three Site Supervisors, one each for Wanapum Dam, Priest Rapids Dam and Power Delivery, that will assist in administrative tasks, security investigations, coordinate Security Officer activities including patrol routes, training, and provide support to Security Officers on shift.
- 2) Site Supervisors will work up to 32 weekly hours of the contracted hours for their assigned area and will have one shift in which to conduct administrative tasks.
- 3) The Site Supervisors will coordinate all contract security functions at their area of responsibility with Account Manager direction and support.

e. All Posts

- 1) The District may request additional Security Officers to assist with construction projects and/or for unanticipated protection services at other District facilities.
- 2) Contractor's personnel shall wear a uniform approved by the District.
- 3) The District will provide portable radios that shall be used to communicate with the control rooms in the dams. In addition, the Contractor shall supply cell phones for each Security Officer on duty.
- 4) Contractor, working with the District Security Department, will create Post Orders for each site the Contractor is directed to patrol. Post Orders will detail Security officer actions to observe, secure, record and report on at each site. Task Orders are specific duties outside of written Post Orders which will be issued by the District or the Contractor.
- 5) Daily direction for Security Officer personnel shall be received from the Account Manager, Assistant Account Manager, District Security Operation Center, District's Security Manager, the Security Supervisor and/or through written Post Orders or Task Orders

- 6) Contractor shall utilize a District approved Security Officer communication and incident reporting tool.
- 7) Security Officer personnel shall maintain a log of their activities each day that is recorded in the Security Officer communication and incident reporting tool and shall be available at end of shift or each morning or upon request of the Security Manager or Security Supervisor.
- 8) Security Officer management and/or Security Officer supervisory personnel shall initialize each Security Officer assignment or personnel change, and, at a minimum, Security Officer management or Security Officer supervisory personnel shall inspect each Security Officer location and activity monthly.
- 9) Contractor management and District Security shall meet at least quarterly to review reporting, communications, Post Orders and Task Orders, staffing, training, etc.

2. Replace APPENDIX "A", REVISED RATE SCHEDULE, EFFECTIVE JANUARY 1, 2024 (CHANGE ORDER NO. 5) in its entirety with the attached APPENDIX "A", REVISED RATE SCHEDULE, EFFECTIVE July 2nd, 2024 (CHANGE ORDER NO. 6).

- B. Time of Completion: The revised completion date shall be July 2, 2026.
- C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall be increased by the sum of \$3,000,000.00 plus applicable sales tax. This Change Order shall not provide any basis for any other payments to or claims by the Contractor as a result of or arising out of the performance of the work described herein. The new total revised maximum Contract Price is \$7,450,000.00, including changes incorporated by this Change Order.
- D. Except as specifically provided herein, all other Contract terms and conditions shall remain unchanged.

Public Utility District No. 2
of Grant County, Washington

Universal Protection Service, LP dba Allied
Universal Security Services

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX “A”
REVISED RATE SCHEDULE
EFFECTIVE July 2nd, 2024 (Change Order No. 6)

DIRECT EXPENSES:

Position	Weekly hours	Pay Rate	Bill Rate	Holiday/OT Rate
Site Manager	40	\$38.62	\$55.23	\$82.84
PD Supervisor	40	\$24.25	\$34.68	\$52.02
Power Delivery Patrol	136	\$21.00	\$30.03	\$45.05
WD Supervisor	40	\$24.75	\$35.39	\$53.09
Wanapum Patrol	136	\$21.50	\$30.75	\$46.12
PRD Supervisor	40	\$25.00	\$35.75	\$53.63
Priest Rapids Patrol	136	\$21.75	\$31.10	\$46.65
Totals	568			

Position	Estimated Mileage per Year	Monthly Cost
Account Manager Vehicle	25,000.00	\$1,205.86
Power Delivery Vehicle	80,000.00	\$1,948.67
Wanapum Dam Vehicle	50,000.00	\$1,543.51
Priest Rapids Dam Vehicle	50,000.00	\$1,543.51
Total Monthly Cost	205,000.00	\$6,241.55

SEASONAL RECREATION COVERAGE:

Note: Seasonal Recreation Coverage will run for an estimated 24 weeks from May through September.

Position	Weekly hours	Pay Rate	Bill Rate	Holiday/OT Rate
CB Recreation	80	\$21.50	\$30.75	\$46.12
PRRA Recreation	24	\$21.75	\$31.10	\$46.65

Position	Estimated Mileage per Year	Monthly Cost
PRRA Vehicle	25,000.00	\$1,205.86

Notes:

1. Vehicles include monthly lease, insurance, estimated fuel and maintenance costs.
2. The Contractor will provide cell phones to officers on duty. The Contractor provided cell phones shall be billed at \$60.00 per month. The District will not be billed for management staff's phones.
3. Additional District requested “special” training will be billed at the OT/Holiday Hourly Rate.
4. The hourly rate for additional on-site work will be billed at the Regular Hourly Rate with 72 or more hours of advance notice. Requested on-site coverage with less than 72 hours advance notice will be billed at the OT/Holiday Hourly Rate.

Fixed hourly billing rates shall be in US Dollars and include all i) payroll, payroll taxes and fringe benefits; ii) all reproduction and printing costs including electronic media; iii) communications costs including all phones, faxes, internet, postage, shipping, delivery, couriers; iv) computer, software, printers, scanners, office machines and related costs of operations including consumables; v) insurance costs; vi) indirect and overhead burden; and vii) profit.

REIMBURSABLE EXPENSES:

Reimbursable expenses are those reasonable and necessary costs incurred on or directly for the District's project, including necessary transportation costs, meals and lodging. Any actual expenses in non-US dollars will be converted using the conversion tables at www.x-rates.com for the applicable period. Reimbursable expenses will only be authorized for specific work that is issued in a District Task Authorization when applicable. Reimbursement will be subject to the following limitations:

Meals and Incidental Expenses: Meals and incidental expenses will be limited to the Federal Per Diem rate for meals and incidentals established for the location where lodging is obtained. The current rate for all Grant County locations is \$59.00 per day. Federal Per Diem guidelines which includes the meal breakdown and Federal Per Diem rates for other locations can be found at www.gsa.gov.

Lodging: Lodging will be billed at cost, including applicable taxes, not to exceed 200% of the Federal Per Diem maximum lodging rate for the location where the work is being performed. The current federal maximum lodging rate for all Grant County locations is \$107.00. The District Representative may increase this limit in writing when circumstances require.

Travel: Air travel (at coach class or equivalent), airport shuttles, etc. billed at cost. Ground transportation by privately owned vehicle, if utilized, billed at the Internal Revenue Service mileage rate for privately owned vehicles in effect at the time of travel. Expenses for a rental car, at cost, in the ratio of one mid-size class rental car for each three Contractor's personnel directly engaged in performance of the work at the prevailing rental rates then in effect. Rental car options such as refueling fees, GPS, collision & liability insurance, etc. will not be reimbursed by the District unless such options are approved in advance by the District Representative. **Appropriate insurance coverage should be included in the Contractor's insurance policies.**

Material and Equipment Purchase: Purchases requested by the District, verifiable by applicable supporting documentation or at specified rates, will be reimbursed to Contractor at cost.

Other: All other expenses will be based on actual costs and include appropriate documentation.

Reimbursable expenses must be accompanied by receipts for airfare, hotel, and rental car, and any other support documentation as the District may require.



Change Order Table

Contract Title: Professional Security and Security Patrol Services

Contract No.		430-10804		Award Date:		4/13/2021	
Project Manager:		George Hainer		Original Contract Amount:		\$4,000,000.00	
District Representative (If Different):				Original Contract completion:		7/2/2024	
Contractor:		Universal Protection Service, LP dba Allied Universal Security Services					
CO#	Change Description	Approved by	Executed Date	Revised Completion Date	Cost Change Amount	Revised Contract Amount	Authority Level Tracking
1	Remove Assistant Account Manager Position, add a second District Security Operation Center (DSOC) guard position and replace Appendix "A", Rate Schedule.	Senior/Plant Mgr	02/01/22	NA	\$0.00	\$4,000,000.00	
2	Add DSOC Lead and Field Supervisor/Investigator positions and replace Appendix "A", Rate Schedule	Senior/Plant Mgr	06/20/22	NA	\$0.00	\$4,000,000.00	\$0.00
3	Increase the Contract price	Senior/Plant Mgr	03/14/23	NA	\$450,000.00	\$4,450,000.00	\$450,000.00
4	Replace Appendix "A" Rate Schedule	Senior/Plant Mgr	08/03/23	NA	\$0.00	\$4,450,000.00	\$450,000.00
5	Remove Contractor DSOC Operator hours and replace Appendix "A", Rate Schedule	Managing Director	12/08/23	NA	\$0.00	\$4,450,000.00	\$450,000.00
6	Increase the Contract price, extend Completion date, and replace Appendix "A" Rate Schedule.	Comm	TBD	07/02/26	\$3,000,000.00	\$7,450,000.00	\$3,450,000.00
Total Change Order Cost Change Amount					3,450,000.00		



Change Order Table

Contract Title: Professional Security and Security Patrol Services

Contract No.	430-10804	Award Date:	4/13/2021
Project Manager:	George Hainer	Original Contract Amount:	\$4,000,000.00
District Representative (If Different):		Original Contract completion:	7/2/2024
Contractor:	Universal Protection Service, LP dba Allied Universal Security Services		

CO#	Change Description	Approved by	Executed Date	Revised Completion Date	Cost Change Amount	Revised Contract Amount	Authority Level Tracking
1	Remove Assistant Account Manager Position, add a second District Security Operation Center (DSOC) guard position and replace Appendix "A", Rate Schedule.	Senior/Plant Mgr	02/01/22	NA	\$0.00	\$4,000,000.00	
2	Add DSOC Lead and Field Supervisor/Investigator positions and replace Appendix "A", Rate Schedule	Senior/Plant Mgr	06/20/22	NA	\$0.00	\$4,000,000.00	\$0.00
3	Increase the Contract price	Senior/Plant Mgr	03/14/23	NA	\$450,000.00	\$4,450,000.00	\$450,000.00
4	Replace Appendix "A" Rate Schedule	Senior/Plant Mgr	08/03/23	NA	\$0.00	\$4,450,000.00	\$450,000.00
5	Remove Contractor DSOC Operator hours and replace Appendix "A", Rate Schedule	Managing Director	12/08/23	NA	\$0.00	\$4,450,000.00	\$450,000.00

6	Increase the Contract price, extend Completion date, and replace Appendix "A" Rate Schedule.	Comm	TBD	07/02/26	\$3,000,000.00	\$7,450,000.00	\$3,450,000.00
Total Change Order Cost Change Amount					3,450,000.00		

From: [Fallon Long](#)
To: [George Hainer](#)
Cc: [Guy Wanner](#); [Dean Hallatt](#)
Subject: RE: Security Services Contract Extension Commission Memo
Date: Monday, May 13, 2024 3:59:30 PM
Attachments: [image001.jpg](#)

Hi all,

Thank you for the chance to review. I approve this memo moving forward, do I need to initial?

From: George Hainer <Ghainer@gcpud.org>
Sent: Monday, May 13, 2024 10:18 AM
To: Fallon Long <flong@gcpud.org>
Cc: Guy Wanner <gwanner@gcpud.org>; Dean Hallatt <dhallatt@gcpud.org>
Subject: Security Services Contract Extension Commission Memo

Fallon,

Can you please review the attached Commission Memo related to the extension of the Security Services Contract with Allied Universal. I am wide open to your input on this.

If you approve, can you include Guy in your response.

Thank you,

George Hainer, PSP®
Security Manager

OFFICE 509.237.9007

EXT. 3133

EMAIL ghainer@gcpud.org



grantpud.org

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Contract 430-12331 with the Washington Department of Fish and Wildlife (WDFW), in an amount not-to-exceed \$4,162,831.00 and with a contract completion date of June 30, 2027.

3482

MEMORANDUM

May 30, 2024

TO: Rich Wallen, General Manager

VIA: Jeff Grizzel, Chief Operating Officer
Ross Hendrick, Senior Manager of Environmental Affairs

FROM: Tom Dresser, Fish, Wildlife, and Water Quality Manager
Deanne Pavlik-Kunkel, Fish and Wildlife Program Supervisor

SUBJECT: New Contract – Priest Rapids Hatchery Operations and Maintenance

Purpose: To request Commission approval of a new 3-year \$4,162,831 contract to procure services from the Washington Department of Fish and Wildlife (WDFW) for Priest Rapids Hatchery Operation and Maintenance (O&M), from July 1, 2024 through June 30, 2027.

Background: The Public Utility District No. 2 of Grant County, Washington (District) entered into the Priest Rapids Salmon and Steelhead Settlement Agreement (SSSA) with multiple parties during 2005 and 2006. The SSSA included specific measures to protect, mitigate and enhance populations of non-ESA-listed salmon species that migrate through the Priest Rapids Project (coho, sockeye, fall and summer Chinook) and included additional measures to protect, mitigate and enhance ESA-listed populations. The SSSA was adopted into the District’s Federal Energy Regulatory Commission (FERC) License Order in April 2008.

Under Part IX, Section 9.5 “Fall Chinook Artificial Production Goals” of this agreement, Grant PUD is required to produce 5.4 million fall Chinook salmon smolts for release into the mainstem Columbia River at Priest Rapids Hatchery

This Contract provides a three-year (July 1, 2024 through June 30, 2027) scope of work and budget for O&M performed by WDFW for the District’s fall Chinook hatchery mitigation program.

WDFW is uniquely qualified to conduct O&M activities for the fall Chinook mitigation program because of their extensive fish-culture experience and expertise. They have been good partners in ensuring implementation of the District’s fall Chinook program meets District obligations and PRCC Hatchery Subcommittee requirements. Additionally, working with WDFW has allowed us to partner with the United States Army Corp of Engineers (ACOE) and WDFW in sharing the cost of producing fall Chinook smolts in the Hanford Reach.

The current Professional Services Contract (430-10967) is set to expire on June 30, 2024.

Justification: This contract would allow implementation of the District’s mitigation requirement for fall Chinook required by the SSSA, Part IX, Section 9.5 “Fall Chinook Artificial Production Goals” as amended on August 2006. The consequence of not implementing this Change Order is non-compliance with obligations under the SSSA and FERC License order for the Priest Rapids Project.

Currently, the District’s Fish, Wildlife, and Water Quality (FWWQ) Department does not have the biological staff nor the expertise necessary to complete this work in-house. FWWQ staff also believes that a continuation of this contract with WDFW is the most cost effective and biologically prudent option in meeting the District’s mitigation obligations for production of upper Columbia River fall Chinook, for the following reasons.

- ✓ WDFW has the fish culture and biological staff with specific expertise in operating hatchery facilities present and available, and

- ✓ Contracting with WDFW provides a conduit to cost share Grant PUD's Priest Rapids Hatchery operations and maintenance costs with the U.S. Army Corps of Engineers (USACOE).

Financial Considerations: The District's FWWQ staff went through a rigorous line-item review and negotiation process in an effort to hold costs in check and ensure that proposed tasks and the associated budget were tied to the District's Priest Rapids Hatchery O&M requirements and aligned with the District's long-term strategic goals related to hatchery production.

Despite negotiation efforts there is a significant increase in overall expenses (19.2%; \$670,272) compared with the previous 3-year budget. This is attributable in part to an approximately 10% increase approved by the State of Washington for WDFW wages in 2022, and the inclusion of an additional 6 months of time from converting three Fisheries Specialist 2 positions from 10-month to 12-month assignments in an effort to reduce employee turnover at the hatchery. It is difficult to hold salaries and benefits static from year to year, as up to 10 WDFW staff working at the hatchery are covered under the State of Washington and Washington Association of Fish and Wildlife Professionals Collective Bargaining Agreement (<https://ofm.wa.gov/state-human-resources/labor-relations/collective-bargaining-agreements/washington-association-fish-and-wildlife-professionals-wafwp-2017-19>).

The other key consideration for contracting with WDFW is the ability of the District to share the cost of operating and maintaining the Priest Rapids Hatchery with the USACOE. The District provides excess fish rearing capacity available at the hatchery to the USACOE to rear a portion of their mitigation programs. Under the USACOE-WDFW contract, WDFW directly invoices the USACOE for the USACOE's cost of operating Priest Rapids Hatchery over the 3-year timeframe (USACOE's cost share is approximately 37.6% of total operational costs or \$2,184,451). Additionally, the District recovers a portion of our direct operations and maintenance expenses by invoicing the USACOE through our WDFW contract (up to \$1,643,759).

WDFW is uniquely qualified and positioned to operate Priest Rapids Hatchery. Despite increases, FWWQ staff believe that a new contract with WDFW for Professional Services is the least-cost option. Other alternatives were contemplated but were not considered feasible or would result in increased cost to the District. Alternatives considered include:

1. Using District staff to implement the fall Chinook program: The Fish, Wildlife, and Water Quality Department (FWWQ Department) completed an extensive analysis of the feasibility of operating the Priest Rapids Hatchery using District personnel. The analysis determined that the cost for the District to provide equivalent staffing compared with that currently provided by WDFW was not cost effective and would significantly increase the overall program budget. Further, the District does not have the fish-culture staff necessary to complete this work.
2. Other Contractors: This option is currently not feasible. WDFW has extensive experience producing fall Chinook salmon smolts. As a fisheries resource co-manager, WDFW has a vested interest in operating a quality production program. Further, the ACOE plans to contract with WDFW to satisfy their mitigation requirements for fall Chinook reared in Priest Rapids Hatchery and Ringold Hatchery. Cost sharing of O&M activities reduces District's overall program costs.
3. No Contract Implemented. By not entering into a new contract for this work, the District will be in violation of the terms and conditions of its FERC license.

If approved by the Commission, the new contract would cover three years and have a NTE amount of \$4,162,831. This item is allocated in the District's approved 2024 Operations and Maintenance budget and will be included in the proposed 2025-2027 budgets under Cost Center EB4220, and Initiative Fall Chinook Mitigation Program. Eric Lauver is the District Representative.

Change Order History: Not Applicable.

Legal Review: See attached email.

Recommendation: Commission approval of a new 3-year \$4,162,831 Contract to provide services from the Washington Department of Fish and Wildlife (WDFW) for the Priest Rapids Hatchery Operation and Maintenance from July 1, 2024 through June 30, 2027.

From: [Jeff Grizzel](#)
To: [Ross Hendrick](#); [Tom Dresser](#); [Deanne Pavlik-Kunkel](#); [Shelli Tompkins](#); [Richard Wallen](#)
Subject: RE: ACTION: RESPOND: Final Approvals for the PR Hatchery Operations and Maintenance contract Commission memo
Date: Thursday, May 30, 2024 4:56:26 AM

The memo looks good. Thanks everyone.

Jeff

From: Ross Hendrick <Rhendr1@gcpud.org>
Sent: Wednesday, May 29, 2024 3:27 PM
To: Tom Dresser <TDresse@gcpud.org>; Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Richard Wallen <rwallen@gcpud.org>
Subject: RE: ACTION: RESPOND: Final Approvals for the PR Hatchery Operations and Maintenance contract Commission memo

I approve. Thanks

From: Tom Dresser <TDresse@gcpud.org>
Sent: Wednesday, May 29, 2024 2:27 PM
To: Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>; Ross Hendrick <Rhendr1@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Richard Wallen <rwallen@gcpud.org>
Subject: Re: ACTION: RESPOND: Final Approvals for the PR Hatchery Operations and Maintenance contract Commission memo

I am good on memo

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From: Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>
Sent: Wednesday, May 29, 2024 12:01:08 PM
To: Shelli Tompkins <stompkins@gcpud.org>; Tom Dresser <TDresse@gcpud.org>; Ross Hendrick <Rhendr1@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Richard Wallen <rwallen@gcpud.org>
Subject: RE: ACTION: RESPOND: Final Approvals for the PR Hatchery Operations and Maintenance contract Commission memo

I approve the memo.

Thanks for sending this around Shelli.
Deanne

From: Shelli Tompkins <stompkins@gcpud.org>
Sent: Wednesday, May 29, 2024 11:13 AM

To: Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>; Tom Dresser <TDresse@gcpud.org>; Ross Hendrick <Rhendr1@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Richard Wallen <rwallen@gcpud.org>

Subject: ACTION: RESPOND: Final Approvals for the PR Hatchery Operations and Maintenance contract Commission memo

Greetings,

Attached, please find the final version of the PR Hatchery Operations and Maintenance contract Commission Memo previously reviewed and edited. Please reply to all with your approvals on the memo.

I will attach the email approvals in Contracts365 and ensure the memo is included in the June 11 meeting packet (due this Thursday **5/30/2024**).

Please reach out if there are questions or concerns.

Kind Regards,

Shelli Tompkins

Procurement Officer

OFFICE 509.906.6983

EMAIL stompkins@gcpud.org

HOURS M-TH 6:00AM-4:30PM, FRI OFF



grantpud.org

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement, effective upon full execution, is by and between Public Utility District No. 2 of Grant County, Washington (“District”) and Washington State Department of Fish and Wildlife (“Contractor”);

Recitals:

The District desires to obtain services for the operation and maintenance of the Priest Rapids Hatchery; and

The District's Senior Manager of Environmental Affairs believes this will fulfill the District's mitigation requirement for fall Chinook salmon as required under the Salmon and Steelhead Settlement Agreement, found in Part IX, Section 9.5 “Fall Chinook Artificial Productions Goals” (as amended on August 2006) for the Contract period in the most efficient and cost-effective manner available.

The undersigned Contractor is willing to perform professional services on the terms and conditions specified herein.

NOW, THEREFORE, in consideration of the mutual covenants herein, the parties hereto agree as follows:

1. Scope of Services

- A. Contractor shall provide, but not be limited to providing the Operation and Maintenance (O&M) services for the Priest Rapids Hatchery as described in detail in the Statement of Work and Budget for July 1, 2024 – June 30, 2027 Operation and Maintenance of the Priest Rapids Hatchery, attached hereto as Appendix “A”.
- B. Additionally, the Contractor shall be responsible for:
 - 1. Providing competent, professionally trained staff for project management, fish culture, fish marking, fish health, hatchery maintenance, and hatchery security.
 - 2. Providing expendable materials and supplies including but not limited to fish food, office, safety, sampling, and maintenance supplies unless provided by the District.
 - 3. If not provided by the District, the Contractor shall provide the proper permitting acquisition, storage, dispensation, and disposal of any chemicals and therapeutants necessary to meet production goal.
 - 4. Providing, operating, and maintaining all equipment necessary to meet the production goal unless provided by the District.
 - 5. Complying with all terms and conditions of General National Pollution Discharge Elimination System-Waste Discharge Permits for Priest Rapids Hatchery issued by the Washington Department of Ecology annually.
 - 6. Complying with all terms and conditions of the Priest Rapids Hatchery Endangered Species Act (ESA), Section 10 Permit, including reporting requirements.
- C. The District will provide the following:

1. All hatchery buildings, facilities, and equipment necessary to provide the capacity to meet the fish production goal in a safe and sound manner including related utilities.
 2. Three District owned housing units in Desert Aire, Washington for Contractor personnel in accordance with the Housing Rules and Regulations attached hereto as Appendix (“E”). The Contractor shall provide a copy of the Housing Rules and Regulations to all Contractor employees who will be housed in District’s housing units during the Contract period.
 3. Two flatbed trucks, as needed, for hauling fish between the adult salmon trapping site and the adult salmon holding ponds.
 4. Three pickup trucks for official Priest Rapids Hatchery staff use.
 5. Forklift or tractor for materials handling at the project facilities. District requirements for forklift operation and safety certification must be met.
 6. District staff, equipment, and utilities for project operations at the discretion of the District on a case-by-case basis.
- D. In the event that the District requires the Contractor to perform specific services in addition to the above detailed Scope of Services, the District will authorize the Contractor to perform such work by means of a Task Authorization for Professional Services (Appendix “C”) to be signed by both the District and the Contractor. Such authorization may be issued by the District Representative, and will define the scope of the task, any time requirements, and budget limitations.

The District reserves the right to suspend or terminate any authorized task at any time or to extend the Contract beyond the initial term by issuance of a Change Order in accordance with Section 5 to complete any work already initiated and/or authorized under the original term and scope of the Contract.

2. Independent Contractor

- A. The Contractor shall operate as, and have the status of, an independent Contractor and will not be an agent or employee of the District nor will it be entitled to any employee benefits provided by the District. All the Contractor’s activities will be conducted at its own risk and be in compliance with all federal, state and local laws.
- B. The Contractor shall perform its services with the level of skill, care and diligence normally provided by and expected of professional persons performing services similar to or like those to be performed hereunder. Contractor understands that the District will be relying upon the accuracy, competency, credibility and completeness of the services provided by the Contractor hereunder and that the District and its customers will be utilizing the results of such services.

3. Term - Schedule

This Agreement shall remain in full force and effect until **June 30, 2027** or until terminated pursuant to Section 17.

4. Compensation and Payment

- A. District shall reimburse Contractor for actual costs incurred under this agreement, including overheads which are properly allocable in accordance with generally accepted accounting standards consistently applied.

In no event however, shall the total amount paid to Contractor for services and all reimbursable costs exceed the sum of **\$4,162,831.00** USD unless a Change Order authorizing the same is issued in accordance with Section 5 below.

- B. Contractor shall submit monthly invoices for completed work to the attention of:

Public Utility District No. 2
of Grant County, Washington
Attn: Accounts Payable
PO Box 878
Ephrata, WA 98823
Or AccountsPayable@gcpud.org

- C. Invoices shall include the Contract number and a detailed description of the work performed. Any Labor Categories or reimbursable expenses shall be included on the invoice (see Appendix "A").
- D. Payment will be made by the District upon completion of work following District approval of Contractor's invoices. Invoice shall be subject to the review and approval of the District. Invoice shall be in a detailed and clear manner supported by such information the District may require. The District will make payment to Contractor within 30 days after District's receipt and approval of said invoice. Contractor understands and agrees that by executing this Contract with the District, the District shall make payment(s) by automated clearing house (ACH).

5. Change Orders

Except as provided herein, no official, employee, agent or representative of the District is authorized to approve any change in this Contract and it shall be the responsibility of the Contractor before proceeding with any change, to satisfy itself that the execution of the written Change Order has been properly authorized on behalf of the District. The District's management has limited authority to approve Change Orders. The current level and limitations of such authority are set forth in District Resolution No. 8609 which may be amended from time to time. Otherwise, only the District's Board of Commissioners may approve changes to this Contract.

Charges or credits for the work covered by the approved changes shall be determined by written agreement of the parties and shall be made on Change Order form as reflected on Appendix "B".

When a change is ordered by the District, as provided herein, a Change Order shall be executed by the District and the Contractor before any Change Order work is performed. When requested, Contractor shall provide a detailed proposal for evaluation by the District, including details on proposed cost. The District shall not be liable for any payment to Contractor, or claims arising there from, for Change Order work which is not first authorized in writing. All terms and conditions contained in the Contract Documents shall be applicable to Change Order work. Change Orders shall be issued on the form attached as Appendix "B" and shall specify any change in time required

for completion of the work caused by the Change Order and, to the extent applicable, the amount of any increase or decrease in the Contract Price.

6. Taxes

- A. Except for the Washington State retail sales and use taxes as may be levied upon the Contract, pursuant to RCW Chapters 82.08 and 82.12, the Contract Price includes and the Contractor shall have the full exclusive liability for the payment of all taxes, levies, duties and assessments of every nature due and payable in connection with this Contract or its employees and subcontractors performing work related to this Contract.
- B. Washington State retail sales tax and use taxes levied upon this Contract pursuant to RCW Chapters 82.08 and 82.12 are excluded from the rates and if applicable will be reimbursed as follows:
 - 1. If the Contractor has, or is required to have a valid Washington State sales tax identification number, the identification number shall be furnished to the District upon request. The Contractor shall make payment of any Washington State retail sales and use taxes due and Contractor shall be reimbursed by the District for the same. Contractor shall be solely responsible for any interest or penalties arising from late or untimely payment of said taxes.
 - 2. If the Contractor is not required to have a valid Washington State sales tax identification number, it shall notify the District of the same. In such event, the District, after receiving proper invoices from Contractor, shall make payment of said Washington State retail sales and use taxes levied upon this Contract to the Washington State Department of Revenue.

7. Hold Harmless and Indemnification

To the fullest extent permitted by law, Contractor shall, at its sole expense, indemnify, defend, save, and hold harmless the District, its officers, agents, and employees from all actual or potential claims or losses, including costs and legal fees at trial and on appeal, and damages or claims for damages to property or persons, suffered by anyone whomsoever, including the District, to the extent caused by any negligent act of or omission of the Contractor or its subcontractors, excluding damages caused by the negligence of the District, in the administration or performance of this Agreement or any subcontracts, and for which either of the parties, their officers, agents, or employees may or shall be liable. In situations where liability for damages arises from claims of bodily injury to persons or damage to property, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Contractor or its subcontractors. Contractor waives its immunity under industrial insurance, Title 51 RCW, to the extent necessary to effectuate this indemnification/hold harmless agreement. Contractor's indemnification obligation shall not apply to liability for damages arising out of bodily injury to a person or damage to property caused by the negligence of the District or its agents or employees and not attributable to any act or omission on the part of the Contractor. In the event of damages to a person or property caused by or resulting from the concurrent negligence of District or its agents or employees and the Contractor or its agents or employees, the Contractor's indemnity obligation shall apply only to the extent of the Contractor's (including that of its agents and employees) negligence.

To the fullest extent permitted by law, Contractor acknowledges that by entering into this Contract with the District, it has mutually negotiated the above indemnity provision with the District.

Contractor's indemnity and defense obligations shall survive the termination or completion of the Contract and shall remain in full force and effect until satisfied in full.

8. Insurance

- A. Prior to the commencement of any work under this Agreement, and at all times during the term of this Agreement, Contractor shall obtain and maintain continuously, at its own expense, a policy or policies of insurance with insurance companies rated A- VII or better by A. M. Best or A by S&P, as enumerated below. Any deductible, self-insured retention or coverage via captive \$25K or above must be disclosed and is subject to approval by the District's Risk Manager. The cost of any claim payments falling within the deductible or self-insured retention shall be the responsibility of the Contractor and not recoverable under any part of this Contract.

Contractor Required Insurance

Contractor is Self-Insured under the Washington State Self-Insurance Pool. Contractor shall provide a Certificate of their Self-Insurance within 10 days of Contract award. Contractor does not provide other insurance beyond the certificate that will be provided.

1. **General Liability Insurance:** Commercial general liability insurance, covering all operations by or on behalf of Contractor against claims for bodily injury (including death) and property damage (including loss of use). Such insurance shall provide coverage for:

- a. Premises and Operations;
- b. Products and Completed Operations;
- c. Contractual Liability;
- d. Personal Injury Liability (with deletion of the exclusion for liability assumed under Contract);
- e. Pollution Liability (sudden and accidental);

with the following **minimum limits:**

- f. \$1,000,000 Each Occurrence
- g. \$1,000,000 Personal Injury Liability
- h. \$2,000,000 General Aggregate (per project)
- i. \$2,000,000 Products and Completed Operations Aggregate

Commercial general liability insurance will include the District as additional insured on a primary and non-contributory basis for ongoing operations. A waiver of subrogation will apply in favor of the District.

2. **Workers' Compensation and Stop Gap Employers Liability:** Workers' Compensation Insurance as required by law for all employees. Employer's Liability Insurance, including Occupational Disease coverage, in the amount of **\$1,000,000 for Each Accident, Each Employee, and Policy Limit**. The Contractor expressly agrees to comply with all provisions of the Workers' Compensation Laws of the states or countries where the work is being performed,

including the provisions of Title 51 of the Revised Code of Washington for all work occurring in the State of Washington.

If there is an exposure of injury or illness under the U.S. Longshore and Harbor Workers (USL&H) Act, Jones Act, or under U.S. laws, regulations or statutes applicable to maritime employees, coverage shall be included for such injuries or claims. Such coverage shall include USL&H and/or Maritime Employer's Liability (MEL).

3. **Automobile Liability Insurance:** Automobile Liability insurance against claims of bodily injury (including death) and property damage (including loss of use) covering all owned, rented, leased, non-owned, and hired vehicles used in the performance of the work, with a **minimum limit of \$1,000,000 per accident** for bodily injury and property damage combined and containing appropriate uninsured motorist and No-Fault insurance provision, when applicable.

Automobile liability insurance will include the District as additional insured on a primary and non-contributory basis. A waiver of subrogation will apply in favor of the District.

4. **Professional Liability:** Contractor shall provide professional liability insurance with a **minimum limit of \$1,000,000 per claim.**

If such policy is written on a claims made form, the retroactive date shall be prior to or coincident with the Effective Date of this Agreement. Claims made form coverage shall be maintained by the Contractor for a minimum of three years following the termination of this Agreement, and the Contractor shall annually provide the District with proof of renewal. If renewal of the claims made form of coverage becomes unavailable, or economically prohibitive, the Contractor shall purchase an Extended Reporting Period Tail or execute another form of guarantee acceptable to the District to assure financial responsibility for liability for services performed.

If Contractor shall hire subcontractor for all operations and risk involving professional services exposure, this requirement may be satisfied by subcontractor's policies. Contractor shall impute the insurance requirements stated in this section to subcontractor by written contract or written agreement. Any exceptions must be mutually agreed in writing with the District.

- B. Evidence of Insurance - Prior to performing any services, and within 10 days after receipt of the Contract Award, the Contractor shall file with the District a Certificate of Insurance showing the Insuring Companies, policy numbers, effective dates, limits of liability and deductibles with a copy of the endorsement naming the District as an Additional Insured for each policy where indicated in Section A.

Failure of the District to demand such certificate or other evidence of compliance with these insurance requirements or failure of the District to identify a deficiency from the provided evidence shall not be construed as a waiver of the Contractor's obligation to maintain such insurance. Acceptance by the District of any certificate or other evidence of compliance does not constitute approval or agreement by the District that the insurance requirements have been met or that the policies shown in the certificates or other evidence are in compliance with the requirements.

The District shall have the right but not the obligation of prohibiting the Contractor or subcontractor from entering the project site until such certificates or other evidence of insurance has been provided in full compliance with these requirements. If the Contractor fails to maintain insurance as set forth above, the District may purchase such insurance at the Contractor's expense. The Contractor's failure to maintain the required insurance may result in termination of this Contract at the District's option.

- C. Subcontractors - Contractor shall ensure that each subcontractor meets the applicable insurance requirements and specifications of this Agreement. All coverage for subcontractors shall be subject to all the requirements stated herein and applicable to their profession. Contractor shall furnish the District with copies of certificates of insurance evidencing coverage for each subcontractor upon request.
- D. Cancellation of Insurance - The Contractor shall not cause any insurance policy to be canceled or permit any policy to lapse. Insurance companies or Contractor shall provide 30 days advance written notice to the District for cancellation or any material change in coverage or condition, and 10 days advance written notice for cancellation due to non-payment. Should the Contractor receive any notice of cancellation or notice of nonrenewal from its insurer(s), Contractor shall provide immediate notice to the District no later than two days following receipt of such notice from the insurer. Notice to the District shall be delivered by facsimile or email.

9. Assignment

Contractor may not assign this Agreement, in whole or in part, voluntarily or by operation of law, unless approved in writing by the District.

10. Records - Audit

- A. The results of all work and services performed by the Contractor hereunder shall become the property of the District upon completion of the work herein performed and shall be delivered to the District prior to final payment.
- B. The Contractor shall maintain books, records, documents and other evidence, which sufficiently and properly reflects all direct and indirect costs expended by it relating to this Agreement. These "records" shall be subject to inspection, review or audit by the District or its authorized representatives, the Office of the State Auditor, and federal officials so authorized by law. All books, records, documents, and other material relevant to this Agreement will be retained for six years after expiration and the Office of the State Auditor, federal auditors, and any persons duly authorized by the Parties shall have full access and the rights to examine any of these materials during this period.
- C. Contractor shall keep and maintain complete and accurate records of its costs and expenses related to the work or this Agreement in accordance with sound and generally accepted accounting principles applied on a consistent basis. Contractor will provide the District a full copy of the annual auditors' report, including all attachments and management letters within 30 days of receipt of the same.
- D. The Contractor's "records", referenced in this section, shall upon reasonable notice be open to inspection and subject to audit and/or reproduction during normal business hours. Such audits may be performed by the District Representative or an outside representative hired

by the District throughout the term of this contract and for a period of six years after final payment.

- E. Contractor shall require all payees to comply with the provisions of this article by including the requirements hereof in a written contract agreement between Contractor and payee. Such requirements to include flow-down right of audit provisions in contracts with payees will also apply to subcontractors and sub-subcontractors, material suppliers, etc. Contractor will cooperate fully and cause all of Contractor's subcontractors to cooperate fully in furnishing or in making available to the District from time to time whenever requested, in an expeditious manner, any and all such information, materials and data.
- F. District's authorized representative or designee shall have reasonable access to the Contractor's facilities, shall be allowed to interview all current or former employees to discuss matters pertinent to the performance of this agreement and shall be provided adequate and appropriate work space, in order to conduct audits in compliance with this article.
- G. Any adjustments and/or payments which must be made as a result of any such audit or inspection of the Contractor's invoices or records shall be made within a reasonable amount of time (not to exceed 90 days) from presentation of District's findings to Contractor.

11. Nondisclosure

Contractor agrees that it will not divulge to third parties, without the written consent of the District, any information obtained from or through District in connection with the performance of this Contract. Contractor further agrees that it will not, without the prior written consent of District, disclose to any third party any information developed or obtained by the Contractor in the performance of this Contract and, if requested by District, to require its employees and subcontractors, if any, to execute a nondisclosure agreement prior to performing any services under this Contract. Nothing in this section shall apply to:

- A. Information which is already in the Contractor's possession not subject to any existing confidentiality provisions,
- B. Information which, at the time of disclosure, is in the public domain by having been printed and published and available to the public libraries or other public places where such data is usually collected, and
- C. Information required to be disclosed by court order or by an agency with appropriate jurisdiction.

12. Public Records Act

The District and the Contractor are subject to the disclosure obligations of the Washington Public Records Act of RCW 42.56. The Contractor expressly acknowledges and agrees that any information Contractor submits is subject to public disclosure pursuant to the Public Records Act or other applicable law and the District may disclose Contractor's proposal and/or information at its sole discretion in accordance with its obligations under applicable law.

13. Applicable Law

Contractor shall comply with all applicable federal, state and local laws and regulations including amendments and changes as they occur. All written instruments, agreements, specifications and other writing of whatsoever nature which relate to or are a part of this Agreement shall be construed, for all purposes, solely and exclusively in accordance and pursuant to the laws of the State of Washington. The rights and obligations of the District and Contractor shall be governed by the laws of the State of Washington. Venue of any action filed to enforce or interpret the provisions of this Agreement shall be exclusively in the Superior Court, County of Grant, State of Washington or the Federal District Court for the Eastern District of Washington at the District's sole option. In the event of litigation to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable legal fees in addition to any other relief allowed.

14. Subcontracts/Purchases

- A. The Contractor is authorized to make purchases of materials and equipment required for the work and is authorized to enter into subcontracts as included in the approved budget. Any material purchases not included in the approved budget and greater than \$1,000.00, or any small and attractive asset greater than \$500.00 shall be approved in advance by the District Representative.
- B. Whenever the cost for any single item of material is estimated to exceed \$5,000.00, the Contractor shall obtain three quotes and submit to the Procurement Officer for approval. These quotes shall be submitted for approval prior to purchasing the material. Approved material shall be invoiced at cost. A copy of the invoice showing actual cost must be submitted with the Contractor's invoice to the District. In addition, if prevailing wages apply to the material purchase, a copy of the associated Intent to Pay Prevailing Wages and Affidavit of Wages Paid must be attached. In no event shall a material purchase of like items exceed \$15,000.00.

15. Notices

Any notice or other communication under this Contract given by either party shall be sent via email to the email address listed below, or mailed, properly addressed and stamped with the required postage, to the intended recipient at the address and to the attention of the person specified below and shall be deemed served when received and not mailed. Either party may from time to time change such address by giving the other party notice of such change.

District
Eric Lauver
Public Utility District No. 2
of Grant County, Washington
PO Box 878
154 A Street SE
Ephrata, WA 98823
14352 Highway 243 S Building 6
Beverly, WA 99321
(509) 797-5175
Elauver@gcpud.org

Contractor
Brian Lyon
Washington State Department
of Fish and Wildlife
6785 Road K NE
Moses Lake, Washington 98837
(509) 765-7714
Brian.Lyon@dfw.wa.gov

For purposes of technical communications and work coordination only, the District designates Eric Lauver as its representative. Said individual shall have no authority to authorize any activity which will result in any change in the amount payable to Contractor. Such changes, if any, must be by written Change Order issued in accordance with Section 5 to be valid and binding on the District.

16. Ownership of Work Product/Copyright

- A. All rights in the various work produced for or under this Agreement, including but not limited to study plans, results, drafts, charts, graphs, videos, summaries and any other forms of presentation, collectively referred to as “Work Product” shall belong to and be the exclusive property of the District. Contractor shall not use the Work Product outside the scope of this Contract without express written permission from the District.
- B. Contractor acknowledges and agrees that all services/work are specifically ordered under an agreement with Public Utility District No. 2 of Grant County, Washington, and shall be considered “work made for hire” and “Work Product” for purposes of copyright. All copyright interest in Work Product shall belong to and be the exclusive property of the District.
- C. Contractor shall attach and require each of its subcontractors to attach the following statement to all Work Product:

©. PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON. ALL RIGHTS RESERVED UNDER U.S. AND FOREIGN LAW, TREATIES AND CONVENTIONS.

THE ATTACHED WORK WAS SPECIFICALLY ORDERED UNDER AN AGREEMENT WITH PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON. ALL RIGHTS IN THE VARIOUS WORK PRODUCED FOR OR UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO STUDY PLANS AND STUDY RESULTS, DRAFTS, CHARTS, GRAPHS AND OTHER FORMS OF PRESENTATION, SUMMARIES AND FINAL WORK PRODUCTS, ARE THE EXCLUSIVE PROPERTY OF THE DISTRICT.
- D. Upon final acceptance or termination of this Agreement, Contractor shall immediately turn over to the District all Work Product. This does not prevent the Contractor from making a file copy for their records.

17. Termination

- A. District may, at any time, for any reason, terminate Contractor's services in connection with this Agreement, or any part thereof, by designating that portion of the services to be terminated. In case of termination pursuant to this Section A, District will make payment at the rates specified in this Agreement for services properly performed up to the date of termination. However, in no event shall Contractor be entitled to any other payment to or any anticipated fee or profit on unperformed work.
- B. In the event of Contractor's breach or abandonment of this Contract, the District may thereupon and without further notice, terminate this Agreement. The District without waiving any other remedies available to it, may retain any monies otherwise due Contractor under this Agreement to the extent such sums are required to compensate District, in whole or in part, for any loss or damage caused by Contractor's breach or abandonment.

18. Shared Services

- A. The District will invoice the Contractor for services and facilities provided by the District, on behalf of any other entity participating in this program (except the Yakama Nation

which will be billed directly by the District) based on fish produced at the Priest Rapids Hatchery.

19. Excess Capacity

- A. The District has excess capacity at the Priest Rapids Hatchery during this period and Contractor may utilize this excess capacity. The District's fish shall take first priority over the non-District programs.
- B. If this capacity is utilized, hatchery costs will be allocated based on facility utilization. The District will invoice the Contractor for services and facilities provided by the District on behalf of any other entity, as detailed in Section 1, Scope of Services C. The Contractor may deduct these costs from the District's billing or pay the District for these services under the same terms and conditions detailed in Section 4, Compensation and Payment.

20. Non-Waiver

No waiver of any provision of this Agreement, or any rights or obligations of either Party under this Agreement, shall be effective, except pursuant to a written instrument signed by the Party or Parties waiving compliance, and any such waiver shall be effective only in the specific instance and for the specific purpose stated in such writing. The failure of either Party to require the performance of any term of this Agreement or the waiver of either Party of any breach under this Agreement shall not operate or be construed as a waiver of any other provision hereof, nor shall it be construed as a waiver of any subsequent breach by the other Party hereto.

21. Physical Security

It shall be the responsibility of the Contractor to ensure that its employees and those of its Subcontractors are informed of and abide by the District's Security Policies as if fully set out herein a copy of which shall be provided to the Contractor by the District Representative at the preconstruction meeting or prior to beginning work. Without limiting the foregoing, Contractor and its employees shall be required to:

- A. Keep all external gates and doors locked at all times and interior doors as directed.
- B. Visibly display ID badges on their person at all times.
- C. Stay out of unauthorized areas or in authorized areas outside of authorized work hours, without express authorization from the District.
- D. Provide proper notification to the appropriate parties, and sign in and out upon entry and exit to secured locations. If unsure of who to notify, Contractor shall contact the District Representative.
- E. Immediately notify the District if any of Contractor's employees no longer need access or have left the Contractor's employment.
- F. Immediately report any lost or missing access device to the District Representative. A minimum charge will be assessed to the Contractor in the amount of \$50.00 per badge and the fee for lost or non-returned keys may include the cost to re-key the plant facilities. The Contractor is strictly prohibited from making copies of keys.

- G. Not permit 'tailgating' through any controlled access point (i.e. person(s), authorized or unauthorized, following an authorized person through an entry point without individual use of their issued ID badge or key).
- H. Return all District property, including but not limited to keys and badges, to the District Representative when an individual's access to the facility is no longer needed.
- I. Guest Wireless: The District provides Guest Wireless Internet access to contractors and vendors that need to conduct business in support of the District from personally owned mobile devices such as laptops and smart phones. Contractor personnel are responsible for exercising good judgment regarding appropriate use of information, electronic devices, and network resources.

The Contractor and any Subcontractors shall comply with the safety requirements of these Contract Documents and all District policies pertaining to COVID-19 located at <https://www.grantpud.org/for-contractors>.

The District reserves the right to conduct or to require Contractor to conduct criminal background checks on its employee(s) before granting such individuals access to restricted areas of District facilities or Protected Information. Criminal background checks may be conducted in such depth as the District reasonably determines to be necessary or appropriate for the type of access to be granted. The cost of such background checks shall be borne by the Contractor.

22. Security, Safety Awareness Training, Dam Safety Awareness Training, and Transmission and Distribution Access Training

Prior to receiving access to any District facilities, all Contractors, Contractor's employees, subcontractors and subcontractor's employees, material suppliers and material supplier's employees, or any person who will be engaged in the work under this Contract that requires access to District facilities, shall be required to take and pass the District's Security and Safety Awareness training before being issued a security access badge to access District facilities. Under no circumstances will the failure of any Contractor or subcontractor employee to pass the required training, be grounds for any claim for delay or additional compensation.

The Safety and Security Awareness training is available online and is a 20-30 minute training. The training is located at: <https://www.grantpud.org/for-contractors>. All contractors and their employees are required to successfully complete Safety and Security Awareness training before coming onsite. The Security and Safety certificates should be emailed directly to SecurityTrainingCerts@gcpud.org.

District Representative shall ensure that Contractor's employees, subcontractor's and subcontractor's employees have completed and submitted the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted before any security access badges will be issued.

Dam Safety Awareness Training is required for Contractors who are performing work in and around Priest Rapids and Wanapum Dams and are badged. The training is available online only and is a 20-30 minute training. Contractor shall ensure that its employees, Subcontractors and Subcontractor's employees have completed, passed and printed the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted to the District Representative before any security access badges will be issued.

If applicable, Transmission and Distribution Access Training is required for Contractors, or their Subcontractors, who may hold a clearance or hotline hold order as part of performance of work under this Contract. The training is available online only and is a 20-30 minute training. Contractor shall ensure that its employees, Subcontractors and Subcontractor's employees have completed, passed and printed the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted to the District Representative before any security access badges will be issued.

If you are uncertain which of the above courses you or your employees must complete, please contact your District Representative.

23. Contractor Safety Requirements

The following applies if Contractor, or any of its sub-consultants, subcontractors, or suppliers of any tier, performs any activities on premises owned, leased, possessed, or controlled by the District. The Contractor Safety Requirements shall be required when applicable as determined by the District Representative based upon the scope of work. To the extent applicable, the Contractor shall ensure that all workers, sub-consultants, subcontractors, and suppliers comply with these requirements. In fulfilling these requirements, the Contractor shall also comply with material and equipment manufacturer instructions, and safety and health requirements in accordance with WAC 296-126-094 and this Agreement where applicable. If there are conflicts between any of the requirements referenced in the Contract Documents, the more stringent requirement shall prevail.

A. General

Initial/Warning Notice: Any District employee may notify the Contractor of any safety or health concern. The notice may be delivered verbally to any Contractor employee or subcontractor and the District employee shall notify the District Representative of the Notice. Written notification may be provided to the Contractor at the discretion of the District Representative. The notice shall have the same effect on the Contractor regardless of format or recipient. The Contractor shall take immediate action to mitigate the safety and health concerns identified in the District's notice.

B. Stop Work Order: District employees also have the authority to immediately stop a work activity without issuing the Initial/Warning Notice. The District employee will immediately notify the District Representative of the Stop Work Order. The District Representative may direct the Contractor to stop work due to safety and health concerns. The Stop Work Order may cover all work on the Contract or only a portion of the work. After the District issues a Stop Work Order, the Contractor shall meet with District Representatives (as determined by the District Representative) to present a written statement outlining specific changes and/or measures the Contractor will make to work procedures and/or conditions to improve safety and health. A Stop Work Order can be rescinded only with the written approval of the District Representative.

1. The Contractor shall not be entitled to any adjustment of the Contract price or schedule when the District stops a work activity due to safety and health concerns that occurred under the Contractor's, Subcontractor's, or supplier's control.
2. The District's conduct does not alter or waive the Contractor's safety and health obligations.
3. Contractor shall provide an onsite Safety Professional as directed by the District Representative based upon number and/or severity of identified safety infractions.

4. Non-compliance with safety requirements could lead to termination of the contract in accordance with Section 17.
- C. The Contractor shall maintain an accurate record of, and shall immediately report to the District Representative all cases of near miss or recordable injury as defined by OSHA, damage to District or public property, or occupational diseases arising from, or incident to, performance of work under this Contract.
1. The record and report shall include where the incident occurred, the date of the incident, a brief description of what occurred, and a description of the preventative measures to be taken to avoid recurrence, any restitution or settlement made, and the status of these items. A written report shall be delivered to the District Representative within five business days of any such incident or occurrence.
 2. In the event of a serious incident, injury or fatality the immediate group shall stop work. The Contractor/subcontractor shall secure the scene from change until released by the authority having jurisdiction. The Contractor shall collect statements of the crew/witnesses as soon as practical. The District reserves the right to perform an incident investigation in parallel with the Contractor. The Contractor, subcontractor, and their workers shall fully cooperate with the District in this investigation.
 3. All cases of death, serious incidents, injuries or other incidents, as determined by the District Representative, shall be investigated by the Contractor to identify all causes and to recommend hazard control measures. A written report of the investigation shall be delivered to the District Representative within 30 calendar days of any such incident or occurrence.
 4. For situations that meet the reporting requirements of WAC 296-800, the Contractor shall self-report and notify the District Representative. The District Representative shall notify the District's Safety personnel.
- D. The Contractor/subcontractor shall conduct and document job briefings each morning with safety as an integral part of the briefing. The Contractor/Subcontractor shall provide an equivalent job briefing to personnel and/or visitors entering the job site after the original job briefing has been completed for work within their scope. Immediately upon request, the Contractor shall provide copies of the daily job briefing and any other safety meeting notes to the District Representative. The notes, at a minimum, shall include date, time, topics, and attendees and shall be retained by the Contractor for three years after completion of all work.
- E. Job Site Reviews Performed by the District: The Contractor Site Representative or other lead personnel, if requested by the District, shall be required to participate in District job briefs and/or District job site reviews that pertain to other work being performed that may impact the Contractor's work.
- F. Job Site Reviews Performed by Contractor: Each Contractor and Subcontractor shall perform and document weekly safety reviews of their work area(s) by a competent person as defined by WAC 296-62-020. Immediately upon request, the Contractor shall provide a copy of the documented job site review to the District Representative. Contractor and Subcontractor supervisors/foremen shall take immediate action to correct violations, unsafe practices, and unsafe conditions. The Contractor and Subcontractor shall be solely responsible to review and monitor the work area or location of all their employees during the performance of work.

- G. Site Specific Safety Plan (SSSP): The Contractor shall prepare, implement, and enforce a SSSP for all work included in this Contract. The SSSP shall be delivered to and accepted by the District Representative prior to the start of any on-site work.
1. The SSSP shall, at a minimum, identify and provide mitigation measures for any recognized hazards or conditions. Site and adjacent conditions shall be considered. All significant hazards, including unusual or unique hazards or conditions specific to the Contract work shall be identified and mitigated. The Contractor shall provide a clear delegation of authority for the work site(s). The Contractor shall identify, locate, and provide direction to the nearest emergency medical facilities. This shall include telephone numbers for emergency services in the area.
 2. The Contractor shall make available to all workers at the site(s) the SSSP and ensure that all workers are familiar with the content and requirements of the SSSP. Any subcontractors shall adhere to the Contractor's SSSP.
 3. Any emergent hazards not identified in the SSSP shall require a Job Hazard Analysis prior to starting work on the associated job.
- H. District Rescue Team and Relation to Contractor Emergencies and Back Shift Operations When District Rescue Team is Not Present: Contractors shall be required to submit an Emergency Plan that covers first response and rescues. This is required to be submitted for approval by the District Representative prior to work starting. Contractors are encouraged to familiarize themselves with District First Responder and Rescue Team capabilities. District Response Teams may not be available during all work hours and typically are not available on off-shifts, weekends, and District holidays. Contractors choosing not to provide their own response personnel must include a process that does not rely on the District in the event District Response Teams are not available.
- I. The District reserves the right to request updated Contractor safety information at any time during the performance of this Contract. Such updated information will be provided on the attached Appendix "D", Contractor Safety Request for Information Form.
- J. Office Work: Contractor personnel who perform work in an office environment at premises owned, leased, possessed, or controlled by the District shall be required to follow at a minimum the following safety and security requirements. This work includes but is not limited to professional services and consulting, technology-related tasks, and training services. Work activities may include working at a desk, attending meetings, touring facilities, and similar activities.
1. Access: The Security Department administers physical access to District facilities. Contractor personnel shall be issued an ID badge or visitor badge to provide access to work areas as needed per Sections 21 and 22. Workers without authorized access to an area must be escorted at all times. Any person with authorized access may serve as an escort.
 2. Emergency Preparedness: All Contractor personnel, when entering a facility or work area, shall determine the locations of emergency exits, fire extinguishers, first aid kits, AED, and gathering points in case of evacuation.
 3. Housekeeping: Contractor personnel shall keep desks, cubicles, meeting rooms, and all other working areas free from clutter and tripping hazards. Work areas shall

be cleaned after use according to applicable guidelines posted by the District in such work areas.

Specialized Work

- K. Requirements for Contractor Representative Attendance at Safety Meetings: The Contractor Site Representative or other lead personnel, if requested by the District, shall be required to attend the District monthly safety meeting. The above is a District requirement.
- L. Fabricated Lifting Devices: All fabricated lifting devices including materials handling and storage devices, below the hook lifting devices, cranes, derricks and rigging used in the work shall comply with the most current version of the applicable sections of WAC 296-24 Part D, ASME B30.30 Below the Hook Lifting Devices, ASME BTH-1 Design of Below the Hook Lifting Devices Part F and Part L and the District's Fabricating, Repairing, or Modifying Lifting Devices In-House Policy (SA111123B-APP). Where a conflict may exist between the standards, codes and District Policy, the stricter interpretation of the rules shall apply. At a minimum, lifting devices shall be designed with a factor of safety of 5 to the ultimate material strength. Devices shall be load tested to 200% of the rated working load. Devices carrying personnel shall be designed and the design shall be checked by licensed professional engineers. All custom designs shall be approved and load test witnessed and approved by the District Representative before they are permitted for use on District facilities. The above is the most stringent of WAC, ASME and District requirements.
- M. Cord Covers to High Traffic Areas: Contractors shall be required to protect all electrical cords, air lines, hydraulic hoses, water hoses, and other cords, hose, cables, and pipes to prevent them from being driven over or creating tripping or other hazards including at a minimum but not limited to utilizing cord covers in high traffic areas and installing temporary barriers when necessary to prevent foot or vehicle traffic. The above is a District requirement.
- N. Energized Vault Work: All work that takes place regarding underground electrical installations shall comply with the most current version of WAC 296-45 which includes all types of electrical vaults and manholes. When this work involves installing, removing, terminating or switching, personnel must do so without entering the energized vault. To further clarify, all live line tools placed in the energized vault must be properly tested and comply with the requirements set forth in the most current version of WAC 296-45. The above is a Code requirement.
- O. Scaffold Design, Erection and Inspection: All scaffold work shall comply with the most recent version of WAC 296-874. The Contractor shall ensure all scaffolds are designed by a qualified person and constructed according to that design. Only qualified personnel shall erect, move, dismantle and/or alter scaffolds. Qualified erectors shall be supervised by a competent person. Scaffold inspections shall be performed by a competent person before each work shift and after anything occurs that could affect the scaffold's structural integrity. The above is a Code requirement.
- P. Involvement in Job Briefs by Others/Involvement of Others in Contractor's Job Briefs: When work completed by the Contractor will or may affect work being completed by other contractors or by District staff, the Contractor shall ask for a representative from the other contractor or District staff to participate in the Contractor's daily job brief for the purpose

of informing the other party of safety hazards that may be encountered as a result of the affected work. Job brief discussion shall include hazards that the other contractor or District staff may encounter as part of the Contractor's work, mitigation measures, clearance points and boundaries, effects that equipment taken out of service or put back into service could have on other parties, Personal Protective Equipment (PPE) requirements and contingency plans. The above is a District requirement.

- Q. Temporary Traffic Control: When work activities occur within or adjacent to District access roads, the Contractor shall follow the guidelines for Temporary Traffic Control Planning as specified in the current Manual on Uniform Traffic Control Devices. The plan shall be reviewed and approved by the District Representative prior to implementation. The above is a Code requirement.
- R. Contractor Hazardous Materials Communication: Due to the age of the District facilities there are known materials used in construction that are now classified as hazardous materials such as lead and asbestos. The District Representative shall provide the Contractor with a list of the known hazards in the work area. This list is not comprehensive. The Contractor shall be aware of possible hazards. If the Contractor identifies a possible hazardous material such as lead, asbestos, SF-6 residue and/or hexavalent chromium, all work in that area must stop until the material is tested and identified. The Contractor shall notify the District Representative immediately upon identification of possible hazardous material.
1. If the material is identified as non-hazardous, work may resume once the materials status has been communicated to the District Representative and Contractor's employees.
 2. If the material is a hazardous substance, proper protocols compliant with regulation must be followed. The above is a Code requirement.
- S. Caution and Danger Barriers:
1. Caution Tape or Rope - Yellow will be used to demarcate areas with low safety hazards. Contractor employees may enter the barricade area only after identifying the hazard enclosed by the Caution barrier tape/rope.
 2. Danger Tape or Rope – Red will be used to demarcate areas of imminent danger. An employee may not enter the area barricaded with Danger barrier tape/rope without consent of the barricade attendant or tape tag holder.

Contractors that will be introducing hazards as part of their work must barricade the hazardous area to prevent employees from entering the area in accordance with District Policy SA121200-POL. The above is a Code requirement.

- T. Confined Spaces: Contractor shall comply with District Policy SA111103-POL. The purpose of a Permit-Required Confined Space Program is to ensure safe practices are utilized prior to and during all construction work activities in confined spaces at District work locations. The District's program is designed to prevent personal injuries, illness, and fatalities in confined spaces. As an employer, the District has developed and implemented this document to meet the written program requirements specified in OSHA regulation 29 CFR 1926 subpart AA and WAC 296-809, the Confined Spaces in Construction Standard. The above is a Code requirement.

- U. Qualified Electrical Worker: For purposes of complying with Washington State law and the District's Electrical Safety Program, a Qualified Electrical Worker is defined according to the definition in WAC 296-45. The above is a Code requirement.
- V. Authorized Employee: For purposes of complying with Washington State law and the District's Electrical Safety Program, an Authorized Employee is defined according to the definition in WAC 296-45. The above is a Code requirement.
- W. Hot Work Permits and Fire Watch Requirements

- 1. Electrical

Due to the District's concern for safety, the transformers shall be electrically grounded during all work performed by the District and the Contractor.

- 2. Fire

- a. The Contractor shall exercise all reasonable caution to prevent fires. Flammable rubbish, especially accumulations of paper, excelsior, and oil-soaked materials, shall be removed from the premises and disposed of as soon as possible. Gasoline, alcohol, oil, solvents, and other flammable substances shall be kept in approved safety containers. All protective covers, drop cloths, and tarpaulins are to be flameproof.

- b. The Contractor shall keep adequate fire extinguishing equipment on hand at all times, and in close proximity to the equipment being worked on.

- 3. Personal Protective Equipment

- a. Contractor shall have on hand and supply its workers, Subcontractors and sub-suppliers with proper protective clothing as required by OSHA, WISHA, and/or other regulatory agencies.

- 4. Emergencies

If an emergency situation is created or observed by the Contractor at Wanapum or Priest Rapids dams or on Grant PUD land within approximately ½ mile proximity of either dam, the nearest dam control room shall be contacted immediately. For emergency situations occurring elsewhere and where injury has or may occur, 911 shall be called immediately. The District's Dispatch Center should be subsequently contacted for electric system emergencies. All other emergencies shall be routed to the District's Security Operations Center (DSOC).

To contact the Priest Rapids Control Room from:

- a. A District telephone, dial ext. 2718.
- b. An outside telephone line, dial 1-509-754-5088 ext. 2718.

The Priest Rapids control room is staffed 24 hours per day.

To contact the Dispatch Center from:

- c. A District telephone, dial ext. 2237 or 2238.
- d. An outside telephone line, dial 1-800-216-5226.

The Dispatch Center is manned 24 hours per day.

To contact the District's Security Operations Center (DSOC):

- e. A District telephone, dial ext. 2014.
- f. An outside telephone line, dial 509-766-2538.

Hydroelectric Facility Work Requirements

- X. Use of Smoke Eaters When Welding: Contractors performing welding activities in the hydroelectric facilities shall provide containment, mechanical ventilation, local exhaust systems and filtration as necessary to prevent visible accumulation of welding fumes and smoke. The above is a District requirement.
- Y. Flash Protection during Welding Activities: Contractor shall provide screens in any areas where welding activities occur to protect others from the welding glare. The screens shall be positioned approximately two feet above the floor, without restricting ventilation. The screens shall be painted with paint that absorbs ultraviolet radiation. The above is a District requirement.
- Z. Working Over Or Adjacent To Water: All work conducted over, near, or in water will require a Risk Assessment/Job Hazard Analysis to assess the need of a rescue boat. This analysis will be submitted as part of the Site-Specific Safety Plan.
- AA. Equipment Grounding Under Power Plant Overhead Power Lines: When working under energized lines with cranes, man lifts or other telescoping equipment, the equipment must be properly grounded. This includes concrete pump trucks and associated concrete trucks while discharging concrete underneath energized transmission lines. All vehicles being refueled must also be properly grounded while fuel transfer is in progress under energized lines. The above is a combination of Code and District requirements.
- BB. Clearance, Tagging and Lock Out/Tag Out: All employees and contractors are required to follow the appropriate clearance, tagging and/or lockout/tagout procedures (WAC 296-155 Part I-electrical requirements and lock out/tag out or for log out/tag out requirements only WAC 296-803 may be used). No work will be performed on or around any hazardous energy source without a clearance or Lock Out/Tag Out, dependent on the location of the work. All affected personnel must receive clearance training. Failure to comply with the appropriate policy or procedures will result in removal from the project. The above documents are a combination of Code and District requirements and are not to be assumed all-encompassing. All other regulatory safety requirements established by the state of Washington shall be met.
- CC. Energized Work Permits

Whenever possible, equipment must be de-energized to eliminate the risk of Shock Hazard or Arc Flash.

If there is a special circumstance where live electrical work is required, a specific safe work procedure for that work must be developed and approved before starting any work. Each work area is assigned to complete a list equipment in this category and develop an action plan to address. Live work shall only be performed by personnel that are certified and authorized to work at the rated voltage level.

DD. Drilling, Cutting, Excavating Above Cables/Conduits

When penetrating work (drilling, cutting, excavating) will be greater than 1.5 inches into surfaces which may conceal electrical conduits or cables, the contractor will follow District Electrical Safety Program requirements, which is available on the Grant PUD Contractor Training website: <https://www.grantpud.org/for-contractors>. The above is a combination of Code and District requirements.

IN WITNESS WHEREOF, the Contractor and the District have executed this Agreement each by its proper respective officers and officials thereunto duly authorized the day and year first above written.

Public Utility District No. 2
of Grant County, Washington

Washington State Department of Fish and Wildlife

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX “A”
Statement of Work and Budget for
2025-2027 Operation and Maintenance of the Priest Rapids Hatchery

WASHINGTON DEPARTMENT OF FISH AND WILDLIFE

PRIEST RAPIDS COMPLEX

PRIEST RAPIDS HATCHERY

STATEMENT OF WORK

July 1, 2024, to June 30, 2027

PREPARED BY:

BRIAN LYON

WASHINGTON DEPARTMENT OF FISH AND WILDLIFE

Project Title: Priest Rapids Hatchery Operations & Maintenance

Organization: Washington Department of Fish and Wildlife
PO Box 43135.
Olympia, WA 98504-3135

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Priest Rapids Hatchery
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Grant County PUD Eric Lauver, Program Manager
30 C Street SW
Ephrata, WA 98823
Telephone: (509) 754-5088, ext. 2688
Email: elauver@gcpud.org

Starting Date: July 1, 2024

Ending Date: June 30, 2027

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Priest Rapids Hatchery O&M

STATEMENT OF WORK

1.0 GOAL:

Public Utility District No. 2 of Grant County's (GCPUD's) hatchery program is managed by consensus among members of the Priest Rapids Coordinating Committee (PRCC), made up of representatives from the National Marine Fisheries Service, U.S. Fish and Wildlife Service, Washington Department of Fish and Wildlife, the Yakama Nation, and the Colville Confederated tribes. The PRCC Hatchery Sub-Committee (PRCC-HSC) approved Statement of Agreement (SOA)-2012-01 and SOA-2013-07 increased hatchery production objectives beginning with release year 2014. Current GCPUD production objectives includes 5,000,000 smolts (base level mitigation for project inundation production loss), plus 127,306 smolts for "No Net Impact" (NNI) mitigation for on-going operational losses at the two projects (SOA-2012-01), plus an additional 273,961 smolts as the result of SOA 2013-07 Priest Rapids Hatchery Fall Chinook Fry-to-Smolt Conversion for a total of **5,396,474 (5.4 million) smolts at 50-60 fish per pound (fpp) or 108,000 pounds of production**. The number of NNI smolts has been reduced from 325,543 to 127,306 starting with 2023 BY because of the recalculation process.

This Statement Of Work (SOW) describes production activities at Priest Rapids Hatchery (PRH), and outlines funding necessary to support operational and maintenance actions. The overall release goal for this facility during this performance period will be 7.1 million URB fall Chinook smolts at 50-60 fish per pound annually (adjusted for recalculation). This production total includes 1.7 million smolts annually that are a separately funded component of the U.S. Army Corps of Engineers (USACE) John Day/The Dalles Mitigation (JDM).

The *U.S. v. Oregon* 2008-2017 Management Agreement outlines specific production that should take place at PRH. The agreement states... "The parties, the USACE, the Bonneville Power Administration, the U.S. Bureau of Reclamation, the U.S. Fish and Wildlife Service and NOAA Fisheries will work to the extent they deem appropriate, as necessary to facilitate the implementation of the hatchery provisions set forth in this Agreement". As party to the agreement, the USACE is committed to meeting its obligation and will fund the 1.7 million smolts that are currently being raised at PRH to satisfy a portion of the USACE's JDM obligation under the *U.S. v. Oregon* process. The USACE's mitigation program currently occurs at Priest Rapids Hatchery under an annual excess-capacity agreement between USACE and GCPUD.

Because of the Spring Creek National Fish Hatchery reprogramming and following recommendations from the Hatchery Scientific Review Group (HSRG), the Priest Rapids broodstock will be used for the Ringold Springs 3.5 million fall Chinook acclimation/release project. This project is also a part of the USACE's JDM production and WDFW has secured funding from the USACE for additional adult holding and egg takes, which are consistent with the PRH excess capacity agreement. WDFW ensures that GCPUD is fully compensated for any production that exceeds GCPUD's current mitigation obligation.

2.0 BACKGROUND:

PRH was designed as a mitigation facility for URB fall Chinook salmon after Priest Rapids and Wanapum dams were constructed. On January 4, 1956, the Federal Power Commission (now the Federal Energy Regulatory Commission or FERC) amended Article 39 of GCPUD's license for FERC Hydroelectric Project No. 2114. This amendment required the GCPUD to construct and operate a fish rearing facility for the purpose of conserving fish resources. The GCPUD, in consultation with state and federal agencies, constructed an artificial spawning channel to compensate for inundated fall Chinook spawning habitat. In September 1963, the GCPUD entered into an agreement with Washington Department of Fisheries (now Washington Department Fish and Wildlife) for the operation of the Priest Rapids Spawning Channel. The spawning channel was operated from 1963-1971 but was ineffective in meeting the mitigation production goals. Artificial propagation of fall Chinook at the site began in 1972. From 1972 through 1977, a portion of the facility's total production came from hatchery-raised Chinook salmon at the facility, in addition to spawning channel natural production. In 1978, the spawning channel was completely abandoned, and all fish released from PRH came from hatchery production. PRH is part of the WDFW's Priest Rapids Complex, which also includes the Ringold, Meseberg, Naches and Columbia Basin fish hatcheries.

In 1992, the PRH began rearing an additional 1.7 million smolts, which are part of USACE's JDM production.

On April 17, 2008, a new license was issued for the Priest Rapids Project FERC No. 2114. The Priest Rapids Project Re-licensing "Salmon & Steelhead Settlement Agreement", Section 9, Paragraph 9.4 and 9.5, requires GCPUD to increase its mitigation production (hence the production increases adopted by SOA-2012-01 and SOA-2013-07). It also required GCPUD to make facility improvements. Substantial completion of these improvements was completed in December 2013.

Currently, GCPUD has approved the USACE's use of excess capacity under annual agreements. GCPUD also funds salmon carcasses and egg donations for the "Salmon in the Classroom" educational programs and eggs used for research projects.

3.0 WORK TO BE PERFORMED:

This Priest Rapids Hatchery O&M SOW will include the continued operation of the facility to meet the annual production goals of both Grant PUD and USACE, as outlined above. The operation and maintenance of this project will include labor, materials, and management to perform the project's functions and preventative and corrective maintenance needed to preserve the capital investment in the project.

This SOW will cover 3 fiscal years:

- WA State FY2025 covering July 1, 2024-June 30, 2025.
- WA State FY2026 covering July 1, 2025-June 30, 2026.
- WA State FY2027 covering July 1, 2026-June 30, 2027.

4.0 OPERATING PLAN OBJECTIVES:

OBJECTIVE 1: HATCHERY MANAGEMENT OBJECTIVES

Objective 1.a.

WDFW will continue to operate the Priest Rapids facility based upon standard WDFW hatchery practices and past performance activities.

The organizational structure at WDFW for hatchery management is made up of two components, administration/management, and labor. The labor component is represented by a labor union and consists of the Fish Hatchery Specialist series (1-4), Seasonal Fish Hatchery Technicians, and a Maintenance Mechanic.

With extensive mechanical infrastructure incorporated into the new hatchery, GCPUD agreed to fund a Maintenance Mechanic (MM). It is requested for this contract period to continue to have the MM on staff to aid fish culture staff when equipment needs to be repaired or modified on a timely basis. This mechanic will maintain “fish culture-sensitive” infrastructure (e.g. preventive maintenance) and provide corrective maintenance or emergency repairs to crowders, pumps, and other critical infrastructure deemed necessary by both GCPUD and WDFW as outlined in Section 2.d. With the goal of meeting the production objectives of this SOW, the WDFW MM will also assist GCPUD staff in identifying and developing options and implementing necessary infrastructure improvements/repairs.

Hatchery Operations Manager (HOM) Staff Time (Brian Lyon) for Priest Rapids Hatchery O&M: 9 months

The methods used by WDFW to calculate employee time include, but are not limited to, the pounds of fish produced, and the pounds of adults handled at each facility. This method provides the rationale for the allocation of time for the Priest Rapids Hatchery Operations Manager as outlined in the table below.

PR Complex By Facility	PR Complex By Facility %	Staff-Months
By Fund Source		
PRH - GCPUD	48.2%	5.78
PRH - USACE	26.8%	3.22
PRH Total =	75.0%	9.00
R/M - USACE	9.8%	1.17
R/M - Mitchell Act	5.6%	0.67
R/M - WarmWater Enhancement	5.5%	0.66
R/M Total =	20.8%	2.50
Columbia Basin - Wildlife State	2.1%	0.25
Naches - Wildlife State	2.1%	0.25
Total =	100.0%	12.00

The following is a description of the management/administrative position as it relates to day-to-day operations at PRH. Further clarification for each position on time allocation is included in the tables.

- 1. Annual Budget/SOW Development:** The Hatchery Operations Manager (HOM) develops the scope of work and participates in contract development and negotiates final contracts. The HOM will ensure that budget proposals are carefully and thoughtfully developed and presented to the Fish Program for approval prior to submitting to funding entities.

- 2. Budget Tracking:** The Hatchery Operations Manager (HOM) will ensure that an optimum operating and maintenance budget is defined and ensures that it reflects the Future Brood Document (FBD) production objectives. Once the contracts are approved and in place, the HOM is required to enter approved contracts and budgets into the state's contracts database (Novatus) and state's financial tracking system (CAPS Financial). The HOM will ensure that facility is operated to stay within the spending plan allotments. The HOM is actively involved with budget management and required to provide regular updates to senior management and GCPUD.
- 3. Personnel Management:** The Hatchery Operations Manager (HOM) will be actively involved in keeping the facility staffed at a level that is appropriate for the production objectives. This will include active involvement in the recruitment of employees and management of employee records. The HOM will ensure that hatchery staff understands program objectives and manage the facility following standard guidelines set forth by WDFW. This includes following all policy and procedures, safety protocols and managing the facility using accepted hatchery practices and in compliance with all required permits. The HOM will ensure that hatchery staff understand their roles and responsibilities as defined by their position descriptions and that they have the necessary skills, abilities, and resources to do their jobs. They are expected to work closely together meeting production objectives and having the most efficient hatchery operations possible.
- 4. Hatchery Operations and Maintenance:** The Hatchery Operations Manager (HOM) is actively involved in facility fish production, not only working with hatchery staff to provide direction, but to also aid directly with activities. During spawning the HOM plays an active role helping staff meet spawning objectives. Coordination of hatchery activities with tribal interests, PRH Monitoring & Evaluation staff activities, and GCPUD staff activities requires the support of the HOM position. The HOM is required to provide oversight on the many activities and all people (some 30+ at times) and ensures that resources and employees are protected and work safely. The HOM is responsible for the efficient use of GCPUD resources and is required to resolve any issues that may directly delay or otherwise prevent the staff or the facility from meeting the primary production objective on behalf of GCPUD. Examples of this interaction will include broodstock management, surplus fish, and carcass distribution, working with/directing the MM to address infrastructure requirements, biological requirements, and incubation needs.
- 5. Strategic Planning:** The Hatchery Operations Manager (HOM) proactively develops strategic hatchery plans that reflect understanding and consideration of key issues, emerging trends, and the needs of the constituents, GCPUD, USACE and the agency. The elements of these hatchery plans have included fish marking strategies that require production manipulations because of infrastructure limitations. This has included working with GCPUD engineers through hatchery design issues. The HOM will continue to be involved in rebuild issues simply by virtue of the amount of coordination between the contractors, GCPUD, and WDFW hatchery staff. The HOM will also be actively involved working through the issues associated with management of contracts and production that applies to the USACE and their involvement at Priest Rapids.

Objective 1.b.

WDFW managers are required to provide project status and updated management strategies through a WDFW Hatchery Operations Manager's committee. This may include, but is not limited to safety protocols and procedures, production objectives, marking strategies, and

spawning objectives. This periodically requires travel from Moses Lake to Olympia. Hatchery staff may also be required to travel for activities such as training. The union collective bargaining agreement for hatchery staff states in part, "Employees required to travel in order to perform their duties will be reimbursed for authorized travel in accordance with regulations established by the Office of Financial Management". The OFM regulation states in part, "when an employee is greater than 35 miles from his or her duty station, that employee will be considered in a travel status". The travel costs associated with this project include vehicle mileage, lodging, and meals.

OBJECTIVE 2: HATCHERY OPERATIONS AND MAINTENANCE:

Objective 2.a.

WDFW's intent is to operate the adult volunteer trap seven days a week, but only to the extent that the staff and the facility can keep pace with the returning adults. Hatchery staff will continue to collect broodstock and use the center channel for sorting adults. The only time WDFW staff will be allowed to enter the center channel is if the center channel operation fails and fish are in immediate peril and can be removed manually. If WDFW staff must enter the center channel it will be supervised by management and all safety protocols and procedures will be followed. Including but not limited to wearing safety harness and adhering to lock out/ tag out procedures. Also confined space protocols must be acted on if entering the center channel.

GCPUD has always supplied two vehicles for broodstock transport from the trap to the center channel. It is anticipated that these vehicles will be available for use again during the contract period. GCPUD will assess the condition of Grant PUD-owned trucks prior to each trapping season. GCPUD must provide the necessary mechanical support to assure Grant PUD-owned trucks are in good working order prior to and during each trapping season to prevent interruptions that limit fish handling efficiency and "throughput".

Objective 2. b.

WDFW will rear 7.25 million Fall Chinook with an expected release target of 7.1 million smolts at 50-60 fpp, including USACE JDM production. The information used to determine the number of fish ponded may be driven by, but not limited to, the 1994 IHOT standard, fish marking strategies, fish size at ponding, and past practices.

Currently, the number of smolts released is an estimation based upon the number of fish ponded minus the known and estimated mortality. Known mortality is the recorded number of dead fish removed from the pond. The estimated mortality is an estimation of loss from observed avian predator activity.

Objective 2. c.

The PRH fall Chinook program will be implemented throughout the contract period by WDFW hatchery staff in a way that meets the goals and objectives of the PRH Fall Chinook HGMP and as guided by GCPUD technical staff in consultation with the Priest Rapids Coordinating Committee - Hatchery Subcommittee (PRCC-HSC). To achieve these goals, the hatchery facility must be maintained and kept in good working order, and effective communication and coordination between WDFW and GCPUD must occur. The WDFW Hatchery Specialist 4 (HS4) and MM will coordinate closely with the GCPUD Program Manager (GCPUD-PM) as follows:

- The WDFW HS4 (or Hatchery Operations Manager if HS4 is unavailable), the WDFW

MM, the GCPUD-PM will meet on a regular (at least bi-weekly) basis to discuss operational and/or maintenance/repair issues.

- Any identified biological/technical issues that require consultation with the PRCC-HSC will be communicated with the PRCC-HSC via the GCPUD-PM.
- All facility maintenance tasks (e.g. preventative, corrective, emergency) will be identified and agreed to by the WDFW-HS4 or Hatchery Operations Manager, and the GCPUD-PM. This group will determine whether the repair can be completed by the WDFW-MM, internal GCPUD mechanical or electrical maintenance staff, external contractors, or some combination thereof.
- The WDFW-MM will assure that all scheduled preventative maintenance occurs as outlined in the Priest Rapids Hatchery Operation & Maintenance (O&M) Manuals provided by the GCPUD- EPM.
- All corrective maintenance will only be completed by the PRH-MM as agreed between the WDFW Hatchery Operations Manager or HS4, and the GCPUD-PM.
- WDFW staff will not be allowed to open electrical panels for the purpose of resetting breakers and relay switches, only applies to covered panels.
- All corrective and preventative maintenance completed by the WDFW-MM will be documented and reported to the GCPUD-PM.
- The WDFW-MM shall provide drawing mark-ups for any significant alterations to equipment and the facility to update the GPUD drawing database.
- Time-sensitive emergency repairs which would compromise fish health (loss of water, etc.) will be reported as outlined in the Emergency Communication Protocols. The WDFW-MM will make every attempt to resolve the issue, within their scope allowed prior to requesting GCPUD support.
- All capital work and capital repairs deemed necessary by the GCPUD-PM and EPM (e.g., access roads, electronic systems, electrical infrastructure, Adult Volunteer Trap finger weir redesign, etc.) will be conducted by GCPUD or its contractors.
- The facility will also be maintained in good condition by WDFW with attention to site appearance and ground maintenance.
- All vehicles using hatchery access roads will be operated by WDFW in a way that avoids undue damage to the roadways.
- GCPUD will conduct maintenance on all hatchery access roads which includes the road to volunteer trap.
- Any materials and supplies that can be procured from the GCPUD warehouse must be requested through the GCPUD-PM.

Through this contract, WDFW hatchery staff will acquire the appropriate tools needed for the movement of fish between the volunteer trap and the adult holding ponds. Examples of this type of equipment would be dip nets, buckets, crowder materials (lumber and hardware cloth), and miscellaneous hardware and supplies to allow for the hatchery team to conduct business as outlined in Objectives 1 and 2 above. This would include, but is not limited to, office supplies, computer media, cleaning supplies, basic hardware such as fittings and valves, bolts and nuts, screen material, netting materials, and basic hand tools such as shovels and rakes.

OBJECTIVE 3: HANFORD REACH ANGLER BROODSTOCK COLLECTION (ABC) PROJECT

WDFW is proposing to conduct the ABC program for three days annually in October, Friday-Sunday, for the period of this contract. Event dates will be determined later. The WDFW District 4 Fish Biologist will coordinate all activities under this project including planning, volunteer recruitment, adult fish collection, transportation, data collection, and analysis with assistance from the CCA, GCPUD, WDFW

Priest Rapids Hatchery, Ringold Springs Hatchery, and the Hanford Reach Monitoring and Evaluation biologist. WDFW staff and volunteers from the Tri-cities Chapter of the CCA will coordinate the registration and fish collection activities each day of the project. Like prior years the collection program will be operated as a derby so anglers can compete for prizes as an incentive to participate. The derby is referred to as the “King of the Reach” event. Derby participation is not mandatory. Registration will be limited to a maximum of 100 boats. There is no restriction on the number of anglers that may participate. Unclipped adult fall Chinook salmon will be captured by hook & line, held in fish trucks at the collection sites, and transported from the three collection locations (Vernita, Punch Bowl, White Bluffs) to Priest Rapids Hatchery. The fish collected will be used for broodstock to produce fall Chinook for GCPUD’s program to be incubated, reared, and released at Priest Rapids Hatchery.

Increases in angler participation and fish collection over the past three years of the program have resulted in an increase in the WDFW staff and equipment necessary to handle and transport fish. For the period of this contract, WDFW is proposing to:

1. operate three collection locations in the Hanford Reach -Vernita, Punch Bowl, and White Bluffs.
2. operate two shuttle boats and assist with fish handling on a third shuttle boat provided by GCPUD.
3. meet the collection/fish holding needs by providing adequate fish transport vehicles operated by experienced hatchery staff.
4. continue to provide enhanced fish holding and transport with the installation of oxygen systems on shuttle boats and treatment of water in fish transport trucks.
5. maintain the number of recirculation pumps available to anglers at the collection sites to keep pace with registration (inventory from 55 to 75),
6. and purchase nets designed to handle adult salmon transport between boats and from the shore to transport truck (final year to meet project needs, 4 nets each year for a total of 12 nets).

The estimated cost, not including indirect, for the ABC program in 2024 year 1 is (\$30,896), 2025 year 2 is (\$31,896) and 2026 year 3 is (\$32,896) Funds will be used to cover the costs for:

1. Four WDFW fish trucks,
2. Up to four commercial licensed hatchery staff to operate the fish trucks and handle fish at the collection sites for each of the three days of the Project,
3. Provide chemical water treatment to reduce stress during holding and transport,
4. Six vehicles to transport WDFW staff and WDFW shuttle boats to the Vernita and White Bluffs collection locations,
5. Fourteen fisheries technicians each day to coordinate collection activities at the three collections locations including operation of the shuttle boats,
6. Three WDFW shuttle boats to transport adult chinook from fishing boats to the collection locations (2 active + 1 back-ups in case of failure or emergency),
7. Installation of O2 system on all shuttle boats (2 WDFW + 1 GCPUD + 1 CCA),
8. Purchase Super Saver recirculation pumps as needed to convert conventional ice chest to live well on volunteer angler boats (current inventory at 55)
9. Purchase additional salmon nets as needed designed specifically for handling fish during this Project,
10. Purchase of additional supplies necessary for the Project.

The WDFW boats will be billed at a cost of \$225 per day that includes the costs of fuel, oil, maintenance, and safety equipment. WDFW will provide the fish holding containers for the GCPUD shuttle boat and provide a technician to assist the GCPUD boat operator. Supervision of the ABC project will continue to be provided by the WDFW District 4 Fish Biologist at no cost to the Project.

This Project will require the following assistance from GCPUD.

1. Fish transport vehicle (1,500 gallon or larger capacity) and licensed operator at the Vernita collection site during the hours of collection for each of the three days of the Program.
2. Boat and boat operator to shuttle fish from angler boats to the Vernita collection location during the hours of collection for each of the three days of the Program.
3. Construction of fish boots to transport fish from vessels to truck (optional).

Dates: FY2025-FY2027: Friday, Saturday, Sunday dates to be determined prior to the planning of the event

Registration: Online

Collection: Vernita, Punch Bowl, White Bluffs: 7am - 4pm Friday-Saturday, 7am - 1pm Sunday

Shuttle boats: 7am – 3:30pm Friday-Saturday, 7am – 12:30pm Sunday

OBJECTIVE 4: FISH HEALTH

Objective 4.a.

Fish Health staff from WDFW will provide fish health and disease monitoring for fish at the Priest Rapids Hatchery. The hatchery staff will aid the Fish Health Specialist (FHS) or Epidemiologist (EPI), who is a veterinarian, while he/she performs routine inspections for fish health. Hatchery staff will monitor all fish during the rearing cycle for evidence of behavior or disease outbreaks. A successful and comprehensive fish health program involves a FHS or EPI who is responsible for the fish health related activities at a hatchery, microbiologists to process laboratory samples, a veterinarian (who is also in the Fish Health Specialist or Epidemiologist class series) to provide prescriptions and veterinary feed directives as necessary. We have included 1 month of FHS or EPI for sampling, health inspections, and veterinarian care; Communication and rental fees for one month of phone and computer charges; Travel fees, which covers mileage charges from FHS/EPI duty station to Priest Rapids Hatchery and lodging and per diem costs; and Goods and Services fees to cover the following aspects of fish health care:

- Virology, ELISA, and bacteriology sample processing within the WDFW Fish Health Laboratory in Olympia, and histology and other work at the Washington Animal Disease Diagnostic Lab, WSU (WADDL).
- Fish health materials and supplies, fish health overnight sample mailing, and field sampling supplies.

FISH PROGRAM									
Fish Health Laboratory									
Priest Rapids Hatchery - Fish Health									
Budget FY25 - FY 27 (July 1, 2024 - June 30, 2027)									
Todd Kassler									
Todd.Kassler@dfw.wa.gov									
(360) 902-2722									
	FY25			FY26			FY27		
	July 1, 2024 - June 30, 2025			July 1, 2025 - June 30, 2026			July 1, 2026 - June 30, 2027		
OBJECT	EPI 3 - Field	Fish Health Lab Services	Total	EPI 3 - Field	Fish Health Lab Services	Total	EPI 3 - Field	Fish Health Lab Services	Total
Staff Months	1	0	---	1	0	---	1	0	---
Month Wage	\$9,703	0	\$9,703	\$9,994	0	\$9,994	\$10,294	0	\$10,294
AA - Salaries	\$9,703	0	\$9,703	\$9,994	0	\$9,994	\$10,294	0	\$10,294
TOTAL OBJ A - SALARIES	\$9,703	0	\$9,703	\$9,994	0	\$9,994	\$10,294	0	\$10,294
TOTAL OBJ B - BENEFITS	\$3,154	0	\$3,154	\$3,249	0	\$3,249	\$3,346	0	\$3,346
EA - Supplies	\$0	\$460	\$460	\$0	\$469	\$469	\$0	\$478	\$478
EB - Communications	\$40	\$0	\$40	\$40	\$0	\$40	\$40	\$0	\$40
ED - Rentals & Leases	\$40	\$0	\$40	\$40	\$0	\$40	\$40	\$0	\$40
EL - Data Processing	\$20	\$0	\$20	\$20	\$0	\$20	\$20	\$0	\$20
EN - Personnel Service	\$22	\$0	\$22	\$22	\$0	\$22	\$22	\$0	\$22
ES - Vehicle Maint.	\$1,466	\$0	\$1,466	\$1,495	\$0	\$1,495	\$1,525	\$0	\$1,525
EZ - Other Goods & Services	\$0	\$4,120	\$4,120	\$0	\$4,202	\$4,202	\$0	\$4,286	\$4,286
TOTAL OBJ E - GOODS & SERVICES	\$1,588	\$4,580	\$6,168	\$1,617	\$4,672	\$6,289	\$1,647	\$4,764	\$6,411
GA - In-state Per Diem	\$330	\$0	\$330	\$347	\$0	\$347	\$364	\$0	\$364
TOTAL OBJ G - TRAVEL	\$330	\$0	\$330	\$347	\$0	\$347	\$364	\$0	\$364
TOTAL DIRECT COSTS	\$14,775	\$4,580	\$19,355	\$15,206	\$4,672	\$19,878	\$15,651	\$4,764	\$20,415
WDFW Indirect @ 36.03%			\$6,974			\$7,162			\$7,356
Budget Total			\$26,329			\$27,040			\$27,771

OBJECTIVE 5: FISH MARKING:

Objective 5.a.

WDFW will provide supervisory oversight for all fish marking.

GCPUD will provide portable toilet(s) by approximately April 1st for this activity.

GCPUD will provide funding to cover the cost for marking/tagging of 1.2 million smolts. This includes two groups of marks:

1. 606,000 fish will have an adipose clip and coded-wire tag (AD+CWT).
 - a. FY2025 Cost: \$105,840
 - b. FY2026 Cost: \$111,132
 - c. FY2027 Cost: \$116,688

2. 606,000 fish will have a coded-wire tag only (CWT).
 - a. FY2025 Cost: \$88,200
 - b. FY2026 Cost: \$92,610
 - c. FY2027 Cost: \$97,240

During this contract period, the total direct cost for GCPUD marking and tagging for FY2025 is \$194,040 for FY2026 is \$203,742, and for FY2027 is \$213,928. A 5% increase has been added to each FY based on the anticipated increase in marking cost. WDFW will provide two marking trailers and approximately 28 support staff. The fish marking at PRH will take approximately 6 weeks. Any costs associated with marking activities conducted by WDFW over and above No. 1 and 2, will not be invoiced to GCPUD unless a change order to this contract is executed.

OBJECTIVE 6: REPORTING

WDFW will submit monthly program/facility reports to the GCPUD project manager by the 10th day of the month following the reporting period. Reports will contain information like past monthly reports, but additional information may be requested for inclusion by GCPUD when a standard template for monthly reports is developed by the GCPUD project manager.

WDFW will submit to the GCPUD project manager a draft annual program/facility report for the previous year's operations by September 1 each year. This report will contain information like past annual reports, but additional information may be requested for inclusion by GCPUD when a standard template for annual reports is developed by the GCPUD project manager and WDFW staff in spring/summer 2024. The GCPUD project manager will provide comments on the draft report to WDFW by September 21 each year. The GCPUD project manager and WDFW will then coordinate as needed to produce a final draft report by October 5 annually.

OBJECTIVE 7: BIOSECURITY AUDITS

WDFW'S regional Fish Health Specialist/Aquatic Veterinarian, in collaboration with the Priest Rapids Complex Manager and Fish Hatchery Specialist 4s, shall maintain a site-specific checklist for conducting semi-annual bio-security audits of each GCPUD-owned facility. Semi-annual audits shall be conducted randomly and attended by the facility's Fish Health Specialist/Aquatic Veterinarian, Priest Rapids Hatchery Operations Manager, and Grant PUD's hatchery project manager. WDFW's Fish Health Specialist/Aquatic Veterinarian shall coordinate the audits and provide copies of completed checklists to

the Hatchery Operations Manager, Fish Hatchery Specialist 4s and Fish Hatchery Specialist 3 and GCPUD hatchery program manager. The facility’s Fish Hatchery specialist 4 shall provide a written response (via email) to the Auditors within 14 days of the audit. The response shall indicate how transgressions will be resolved and indicate a compliance date. WDFW hatchery staff shall resolve minor bio-security infractions that are covered within the scope of services provided herein within 30 days of the audit. Resolved bio-security infractions shall be recorded in the checklist and reported to the Auditors.

5.0 BUDGETS: (Please see budget worksheet attached)

PRIEST RAPIDS HATCHERY FY2025-FY2027 BUDGET SUMMARY (July 1, 2024-June 30, 2027)						
WDFW and GPUD Combined Budget Estimates (GPUD Pass-through Costs included under Supplies/Materials Section)						
	DIRECT	INDIRECT	TOTAL	GPUD SHARE	USACOE SHARE	TEST CALL
WDFW FY2025 Budget						
Salary	641,171	231,014	872,185	543,873	328,312	872,185
Benefits	285,229	102,768	387,997	241,945	146,052	387,997
Supplies/Materials	1,181,650	145,226	1,326,876	553,529	773,347	1,326,876
TOTAL	2,108,050	479,008	2,587,058	1,339,348	1,247,711	2,587,058
WDFW FY2026 Budget						
Salary	660,797	238,085	898,882	560,521	338,361	898,882
Benefits	287,857	103,715	391,572	244,175	147,397	391,572
Supplies/Materials	1,220,662	153,429	1,374,091	583,275	790,816	1,374,091
TOTAL	2,169,316	495,229	2,664,545	1,387,971	1,276,574	2,664,545
WDFW FY2027 Budget						
Salary	681,239	245,450	926,689	577,861	348,829	926,689
Benefits	291,962	105,194	397,156	247,657	149,499	397,156
Supplies/Materials	1,255,469	160,125	1,415,594	609,995	805,598	1,415,593
TOTAL	2,228,670	510,769	2,739,439	1,435,513	1,303,925	2,739,438
TOTAL 3-YEAR BUDGET	6,506,037	1,485,006	7,991,042	4,162,831	3,828,210	7,991,041
GRANT PUD PRIEST RAPIDS HATCHERY BUDGET ESTIMATE FOR WA STATE FYs 2025-2027 (all costs below included in summary above)						
	DIRECT	INDIRECT	TOTAL	GPUD SHARE	USACOE SHARE	TEST
GPUD FY 2025 Budget (these costs were included in the USACOE SHARE above under Supplies/Materials)						
Wages & Benefits	247,424	66,804	314,228	198,121	116,107	314,228
Supplies	327,308	88,373	415,681	278,035	137,646	415,681
Repairs	72,200	19,494	91,694	57,178	34,516	91,694
General Fees (w/o Facility Fee)	149,802	0	149,802	92,923	56,879	149,802
Facility Fee	198,732	0	198,732	0	198,732	198,732
TOTAL	995,466	174,672	1,170,137	626,257	543,880	1,170,137
GPUD FY 2026 Budget (these costs were included in the USACOE SHARE above under Supplies/Materials)						
Wages & Benefits	254,843	68,808	323,651	204,062	119,589	323,651
Supplies	333,828	91,936	423,962	283,189	140,772	423,962
Repairs	74,368	20,079	94,447	58,895	35,552	94,447
General Fees (w/o Facility Fee)	150,384	0	150,384	93,292	57,092	150,384
Facility Fee	195,120	0	195,120	0	195,120	195,120
TOTAL	1,008,543	180,823	1,187,564	639,438	548,126	1,187,564
GPUD FY 2027 Budget (these costs were included in the USACOE SHARE above under Supplies/Materials)						
Wages & Benefits	262,491	70,873	333,364	210,186	123,178	333,364
Supplies	340,544	91,947	432,491	288,498	143,993	432,491
Repairs	74,368	20,079	94,447	58,895	35,552	94,447
General Fees (w/o Facility Fee)	151,557	0	151,557	94,036	57,521	151,557
Facility Fee	191,508	0	191,508	0	191,508	191,508
TOTAL	1,020,468	182,899	1,203,367	651,614	551,753	1,203,367

PRIEST RAPIDS HATCHERY FY2025-2027 O&M BUDGET: USACOE DETAIL SUMMARY

STATUS NOTES: Breakdown is calculated using WDFW 11/27/2023 3-year budget with one minor correction approved via email 1/16/2024.

WASHINGTON DEPARTMENT OF FISH AND WILDLIFE
 PRIEST RAPIDS HATCHERY
 OPERATIONS AND MAINTENANCE BUDGET REQUEST
 July 1, 2024 through June 30, 2027 FY2025-2027
 FINAL 1/16/2024

				ACOE FY25	ACOE FY26	ACOE FY27	3-YR TOTAL
A. Salaries							
			0	0	0	0	0
	Hatchery operations manager	9.0 MM	0	40,365	41,573	42,817	124,755
	Hatchery Specialist 4	12 MM	0	39,227	40,401	41,601	121,229
	Maintenance Mechanic 2	12 MM	0	33,801	34,815	35,860	104,477
	Hatchery Specialist 3	12 MM	0	33,801	34,815	35,860	104,477
	Hatchery Specialist 2	12 MM	0	29,125	29,998	30,895	90,018
	Hatchery Specialist 2	12 MM	0	29,125	29,998	30,895	90,018
	Hatchery Specialist 2	12 MM	0	29,125	29,998	30,895	90,018
	Hatchery Specialist 2	12 MM	0	29,125	29,998	30,895	90,018
	Fish Hatchery Technician	6 MM	0	11,472	11,804	12,169	35,445
	Fish Hatchery Technician	6 MM	0	11,472	11,804	12,169	35,445
	Overtime/Holiday Pay			7,681	8,193	8,705	24,578
	Truck Driver Pay			768	819	870	2,458
	Standby			4,096	4,148	4,301	12,545
Salaries SubTotal				328,312	338,361	348,829	1,015,501
B. Benefits							
			0	0	0	0	0
	Complex Manager	9.0 MM	0	13,083	13,212	13,438	39,734
	Hatchery Specialist 4	12 MM	0	15,656	15,779	15,994	47,430
	Maintenance Mechanic 2	12 MM	0	14,661	14,772	14,962	44,395
	Hatchery Specialist 3	12 MM	0	14,661	14,772	14,962	44,395
	Hatchery Specialist 2	12 MM	0	13,807	13,905	14,065	41,777
	Hatchery Specialist 2	12 MM	0	13,807	13,905	14,065	41,777
	Hatchery Specialist 2	12 MM	0	13,807	13,905	14,065	41,777
	Hatchery Specialist 2	12 MM	0	13,807	13,905	14,065	41,777
	Fish Hatchery Technician	6 MM	0	6,341	6,378	6,440	19,159
	Fish Hatchery Technician	6 MM	0	6,341	6,378	6,440	19,159
	Overtime/Holiday Pay			3,840	4,096	4,352	12,289
	Truck Driver Pay			384	410	435	1,229
	Standby			2,048	2,074	2,151	6,273
Benefits SubTotal				146,052	147,397	149,499	442,948
E - Supplies and Materials							
EA - Supplies and Materials							
	GCPUD 0003	Fish Food		3,072	3,124	3,175	9,371
	ACOE	Fish Food		0	0	0	0
				60,000	63,000	66,150	189,150
				0	0	0	0
	EB - Communication/Telecommunications			1,127	1,178	1,229	3,533
	EC - Utilities			-2,371	-2,371	-2,371	-7,114
	EG - Employee Prof Dev & Training			5,121	5,121	5,121	15,362
	EH - Rental & Leases			256	256	256	768
	ER - Other Contractual Services			768	819	870	2,458
	GCPUD Fish Marking (Automated Trailer)(606K Ad/CWT)			0	0	0	0
	GCPUD Fish Marking (Automated Trailer)(606K CWT)			0	0	0	0
	ACOE Fish Marking (1.717M Ad Only)			128,691	135,119	141,880	405,690
		Pass-Thru		543,880	548,126	551,753	1,643,759
		Angler Caught Broodstock		0	0	0	0
		Fish Health		13,482	13,846	14,220	41,548
	ES - Vehicle Maintenance & Operating Costs			2,560	5,274	5,428	13,262
	EZ - Other Goods and Services (NPDES Permit)			2,560	2,611	2,663	7,834
G - Travel							
	GA - In-State Subsistence & Lodging			1,024	1,024	1,024	3,072
	GC - Private Automobile Mileage			0	13,313	13,825	27,139
	GD - Other Travel Expenses			0	0	0	0
	GF - Out-Of-State Subsistence and lodging			0	0	0	0
	GN - Motor Pool Services			12,801	0	0	12,801
J - Non-Capitalized Assets							
	JA - Non-Capitalized Assets			376	376	376	1,129
E,G,J Subtotal				773,347	790,816	805,598	2,369,761
K. Contract Services							
				0	0	0	0
T. Overhead 36.03% of Total Excluding Fish Food & Capital Assets (Incorporated into itemized costs)							
				171,059	176,784	182,234	530,077
GRAND TOTAL				1,247,711	1,276,574	1,303,925	3,828,210

PRIEST RAPIDS HATCHERY FY2025-2027 O&M BUDGET: GRANT PUD DETAIL SUMMARY

STATUS NOTES: Breakdown is calculated using WDFW 11/27/2023 3-year budget with one minor correction approved via email 1/16/2024.

WASHINGTON DEPARTMENT OF FISH AND WILDLIFE
 PRIEST RAPIDS HATCHERY
 OPERATIONS AND MAINTENANCE BUDGET REQUEST
 July 1, 2024 through June 30, 2027 FY2025-2027
 FINAL 1/16/2024

				GPUD FY25	GPUD FY26	GPUD FY27	3-YR TOTAL	
A. Salaries								
		0	0	0	0	0	0	
	Hatchery operations manager	9.0 MM		0	66,868	68,869	70,930	206,667
	Hatchery Specialist 4	12 MM		0	64,983	66,927	68,915	200,825
	Maintenance Mechanic 2	12 MM		0	55,995	57,674	59,405	173,074
	Hatchery Specialist 3	12 MM		0	55,995	57,674	59,405	173,074
	Hatchery Specialist 2	12 MM		0	48,248	49,694	51,180	149,122
	Hatchery Specialist 2	12 MM		0	48,248	49,694	51,180	149,122
	Hatchery Specialist 2	12 MM		0	48,248	49,694	51,180	149,122
	Hatchery Specialist 2	12 MM		0	48,248	49,694	51,180	149,122
	Hatchery Specialist 2	12 MM		0	48,248	49,694	51,180	149,122
	Hatchery Specialist 2	12 MM		0	48,248	49,694	51,180	149,122
	Fish Hatchery Technician	6 MM		0	19,004	19,554	20,160	58,718
	Fish Hatchery Technician	6 MM		0	19,004	19,554	20,160	58,718
	Overtime/Holiday Pay				12,724	13,572	14,420	40,716
	Truck Driver Pay				1,272	1,357	1,442	4,072
	Standby				6,786	6,871	7,125	20,782
			Salaries SubTotal		543,873	560,521	577,861	1,682,255
B. Benefits								
		0	0	0	0	0	0	0
	Complex Manager	9.0 MM		0	21,674	21,887	22,261	65,822
	Hatchery Specialist 4	12 MM		0	25,936	26,140	26,496	78,572
	Maintenance Mechanic 2	12 MM		0	24,287	24,470	24,786	73,543
	Hatchery Specialist 3	12 MM		0	24,287	24,470	24,786	73,543
	Hatchery Specialist 2	12 MM		0	22,872	23,035	23,300	69,207
	Hatchery Specialist 2	12 MM		0	22,872	23,035	23,300	69,207
	Hatchery Specialist 2	12 MM		0	22,872	23,035	23,300	69,207
	Hatchery Specialist 2	12 MM		0	22,872	23,035	23,300	69,207
	Hatchery Specialist 2	12 MM		0	22,872	23,035	23,300	69,207
	Fish Hatchery Technician	6 MM		0	10,505	10,566	10,668	31,738
	Fish Hatchery Technician	6 MM		0	10,505	10,566	10,668	31,738
	Overtime/Holiday Pay				6,362	6,786	7,210	20,358
	Truck Driver Pay				636	679	721	2,036
	Standby				3,393	3,435	3,563	10,391
			Benefits SubTotal		241,945	244,175	247,657	733,777
E - Supplies and Materials								
EA - Supplies and Materials								
	GCPUD 0003	Fish Food		5,089	5,174	5,259	15,523	
	ACOE			180,000	189,000	198,450	567,450	
				0	0	0	0	
	EB - Communication/Telecommunications			1,866	1,951	2,036	5,853	
	EC - Utilities			-3,929	-3,929	-3,929	-11,786	
	EG - Employee Prof Dev & Training			8,482	8,482	8,482	25,447	
	EH - Rental & Leases			424	424	424	1,272	
	ER - Other Contractual Services			1,272	1,357	1,442	4,072	
	GCPUD Fish Marking (Automated Trailer)(606K Ad/CWT)		FY25	\$263,953	145,167	151,340	158,686	455,192
	GCPUD Fish Marking (Automated Trailer)(606K CWT)		FY26	\$277,052	118,786	125,712	132,214	376,712
	ACOE Fish Marking (1.717M Ad Only)		FY27	\$290,900	0	0	0	0
		Pass-Thru		0	0	0	0	
		Angler Caught Broodstock		42,028	43,388	44,748	130,164	
		Fish Health		22,334	22,937	23,557	68,827	
	ES - Vehicle Maintenance & Operating Costs			4,241	8,737	8,991	21,970	
	EZ - Other Goods and Services (NPDES Permit)			4,241	4,326	4,411	12,978	
G - Travel								
	GA - In-State Subsistence & Lodging			1,696	1,696	1,696	5,089	
	GC - Private Automobile Mileage			0	22,054	22,903	44,957	
	GD - Other Travel Expenses			0	0	0	0	
	GF - Out-Of-State Subsistence and lodging			0	0	0	0	
	GN - Motor Pool Services			21,206	0	0	21,206	
J - Non-Capitalized Assets								
	JA - Non-Capitalized Assets			624	624	624	1,871	
			E,G,J Subtotal	553,529	583,275	609,995	1,746,799	
K. Contract Services								
				0	0	0	0	
T. Overhead 36.03% of Total Excluding Fish Food & Capital Assets (Incorporated into itemized costs)								
				307,950	318,444	328,534	954,928	
GRAND TOTAL				1,339,348	1,387,971	1,435,513	4,162,831	

APPENDIX "B"
CHANGE ORDER
NO. __

Pursuant to Section 5, the following changes are hereby incorporated into this Contract:

- A. Description of Change:

- B. Time of Completion: The revised completion date shall be _____.
OR
The completion date shall remain _____.

- C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall remain unchanged (be increased/decreased by the sum of \$_____ plus applicable sales tax). This Change Order shall not provide any basis for any other payments to or claims by the Contractor as a result of or arising out of the performance of the work described herein. The new total revised maximum Contract Price is \$_____, including changes incorporated by this Change Order.

- D. Except as specifically provided herein, all other Contract terms and conditions shall remain unchanged.

Public Utility District No. 2
of Grant County, Washington

Washington State Department of Fish and Wildlife

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

**APPENDIX “C”
TASK AUTHORIZATION FOR
PROFESSIONAL SERVICES**

Contract No.:	430-12331	Task Authorization No.:		Amendment No.:	
Project Name:					

The Scope of Services covered by this authorization shall be performed in accordance with all the terms and conditions in the above referenced Contract Documents which are incorporated herein by this reference.

The District hereby requests and authorizes the Contractor to perform the following services:

Sample Only

Compensation is to be paid in accordance with and subject to the limitations in Section 4.A of the Contract Documents. In addition, the total cost of the above described work shall not exceed \$_____ without advance amendment of this Task Authorization by the District.

Public Utility District No. 2
of Grant County, Washington

Washington State Department of Fish and Wildlife

Approved for District

Accepted by Contractor

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: District Representative

Title: _____

Date: _____

Date: _____

**APPENDIX “D”
CONTRACTOR SAFETY REQUEST FOR INFORMATION**



Contractor Safety Request for Info

Contractor Company Name:		Prepared By:	
Address:		Title:	
		Phone #:	
		Date:	

Years in business under current company name: _____

PRINCIPAL BUSINESS ACTIVITY:

- | | | |
|--|--|---|
| <input type="checkbox"/> Blasting/Painting | <input type="checkbox"/> Instrumentation | <input type="checkbox"/> Machining |
| <input type="checkbox"/> Cranes | <input type="checkbox"/> Lead/Asbestos Abatement | <input type="checkbox"/> Welding/Piping |
| <input type="checkbox"/> Excavation | <input type="checkbox"/> Cement Work | <input type="checkbox"/> Electrical |
| <input type="checkbox"/> Heavy Transport | <input type="checkbox"/> Drilling | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Labor Service | <input type="checkbox"/> General Construction | |
| <input type="checkbox"/> Scaffold | <input type="checkbox"/> Hydro-Blasting/Cleaning | |

EXPERIENCE MODIFICATION RATE:

Provide the following health, safety, and environmental (HSE)-related information:

List your company’s interstate or intrastate (if applicable) Experience Modification Rate (EMR) for the three (3) most recent years, as evidenced in workers’ compensation insurance premiums:

Last Year: _____ 2-Years Ago: _____ 3-Years Ago: _____

Higher rates may require a corrective action plan for your company. Provide a copy of the letter from your insurance broker or insurance company evidencing the rate for the last 3 years.

- Check this box if your company has less than the minimum number of employees required by law to carry workers’ compensation insurance or if your company does

not have an EMR. (If checked, provide a letter from your insurance company stating this.)

Fill in the following information for the last three available years (use your OSHA 300 Logs)		Last Year	2-Yrs Ago	3-Yrs Ago
(A)	Number of fatalities each year			
(B)	Number of lost workday/restricted activity each year			
(C)	Recordable injury cases each year			
(D)	Total hours each year (do not include non-work time, even though paid)			
(E)	Injury incident rate = <u>NO. OF RECORDABLE INJURIES x 200,000</u> <u>TOTAL HOURS FOR YEAR</u>			

If your company experienced a work-related fatality during this period, provide a brief description of the causes and corrective actions taken. N/A

Has Washington State Labor & Industries, OSHA, EPA, or other State or Federal enforcement agency(s) cited and assessed penalties against your company for any “serious,” “willful” or “repeat” violations in the past five years? Yes No

If “yes,” attach a separate page describing the citations, including information about the dates of the citations, the nature of the violation, the project on which the citation(s) was or were issued, the amount of penalty paid, if any. If the citation was appealed to the agency Appeals Board and a decision has been issued, state the case number and the date of the decision.

NOTE: If you have filed an appeal of a citation and the agency appeals Board has not yet ruled on your appeal, or if there is a court appeal pending, you need not include information about the citation.

Does your company have a written HSE program?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, attach a copy or a summary of your program, including HSE policy you may have.		
Have an orientation program for new hires?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Have training program for newly hired/promoted foremen and supervisors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you hold workplace HSE meetings for supervisors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, how often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Do you hold employee “toolbox” HSE meetings?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, how often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Do you conduct pre-task HSE planning meetings with employees?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

If yes, briefly describe the program format and/or attach a copy.

Do you conduct workplace HSE inspections?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, who conducts this inspection? How often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Is the company a member of any external HSE program that awards certificates of recognition?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, list certificates of recognition your company has received within the past 3 years:		

Indicate elements included in your overall HSE program		HSE Program	New Hire Training	Supervisor/Foreman Training
<input type="checkbox"/>	Corporate HSE Policy			
<input type="checkbox"/>	HSE Workplace Committee			
<input type="checkbox"/>	HSE Inspections and Audits			
<input type="checkbox"/>	Personal Protective Equipment			
<input type="checkbox"/>	Hazard Assessment and Communication			
<input type="checkbox"/>	Task Assignment Training			
<input type="checkbox"/>	Respiratory Protection			
<input type="checkbox"/>	Fall Protection			
<input type="checkbox"/>	Scaffolding and Ladders			
<input type="checkbox"/>	Perimeter Guarding			
<input type="checkbox"/>	Housekeeping			
<input type="checkbox"/>	Fire Protection/Prevention			
<input type="checkbox"/>	First- Aid Procedures/Facilities			
<input type="checkbox"/>	Emergency Procedures			
<input type="checkbox"/>	Toxic Substances/Hazard Communication			
<input type="checkbox"/>	Trenching and Excavation			
<input type="checkbox"/>	Signs, Barricades, and Flagging			
<input type="checkbox"/>	Electrical Safety			
<input type="checkbox"/>	Rigging and Crane Safety			
<input type="checkbox"/>	Safe Work Practices			
<input type="checkbox"/>	Safety Supervision			
<input type="checkbox"/>	Toolbox/Workplace HSE Meetings			
<input type="checkbox"/>	Incident Investigation/Reporting			
<input type="checkbox"/>	Abrasive Blasting Safety			

	Substance Abuse			
	Vehicle Safety			
	Use of Compressed Gas Cylinders			
	Welding/Cutting			
	Medical Evaluation			
	Blood borne Pathogens			
	Employee Discipline			
	High-Pressure Water Cleaning			
	Hot Taps			
	Noise/Hearing Conservation			
	Heat/Cold stress			
	Incentives/Awards for HSE Achievements			
	Spill Prevention/Response			
	Dust Suppression			
	Wastewater/Storm Water Management			
	Hazardous Waste and Solid Waste Management			
	Equipment Emissions			
	Wetlands/Sensitive Habitats			

THIS INFORMATION MUST BE FURNISHED TO GRANT PUD PRIOR TO THE BIDDING OF ANY CONTRACT OR ONSITE LABOR

For further information or assistance in meeting these requirements, please contact the designated Grant PUD District Representative.

REVIEW/APPROVAL SIGNATURES
GRANT PUD USE ONLY

<p style="text-align: center;">REQUIRED SIGNATURE</p> <p>SAFETY: _____ DATE _____</p> <p>DISTRICT REP. _____ DATE _____</p>	<p style="text-align: center;"> <input type="checkbox"/> RECEIVED <input type="checkbox"/> FURTHER REVIEW </p>
---	---

APPENDIX "E"

**Public Utility District No. 2 of Grant County, WA
HOUSING RULES AND REGULATIONS**

THIS AGREEMENT, is made a part hereof by and between Washington State Department of Fish & Wildlife (WDFW), hereinafter called the "Contractor" and the Public Utility District No. 2 of Grant County, WA, hereinafter called "District".

1. **PREMISES.** The District does hereby provide to Contractor the premises located near the Priest Rapids Hatchery at **516 W. Autumn Loop, Desert Aire, WA 99349, 858 N. Desert Aire Drive, Desert Aire, WA 99349, and 306 N. Atterbury Drive, Desert Aire, WA 99349** (hereinafter referred to as "premises"), upon the terms and conditions contained herein for occupancy by Contractor's employees.
2. **RENTAL.** The District shall provide the Contractor for the Contractor's use in completing the work under Contract No. 430-12331, one District-owned housing unit at no charge to the Contractor.
3. **CONDITION OF PREMISES / INSPECTION/DAMAGE.** No representations have been made by District to Contractor, express or implied, concerning the condition of the premises and the same is hereby leased to Contractor in its "as is" condition. Prior to any Contractor change of occupancy of premises and again after surrendering the premises, Contractor and District shall prepare a list of the existing condition of the premises. A dated signed copy of such lists shall be retained by both Contractor and District for purposes of identifying and assisting in resolution of any damage to the premises caused by Contractor.
4. **UTILITIES.** Electricity will be metered to the home and the District shall pay all cost of electrical services. Phone, internet, and television services will not be provided by the District. Sewer and water will be provided by the District at no additional charge.
5. **GARBAGE COLLECTION.** The District shall coordinate and provide waste collection pickup for the premises at no cost to the Contractor.
6. **YARD WASTE.** Disposal of yard wastes such as grass clippings, shrub and tree trimmings, leaves, garden residue, household garbage, etc. shall be made in the provided receptacle or otherwise removed from premises grounds to a Grant County landfill or transfer station. **NO BURNING OF YARD WASTE INSIDE OR IN THE VICINITY OF THE PREMISES IS PERMITTED.**
7. **CONTRACTOR DUTIES.** Contractor shall, in addition to the other obligations provided in these Rules and Regulations, perform the following duties and assume all costs associated with the performance of such duties:
 - (a) Comply with all applicable municipal, county, and state codes, laws, and advisories.

- (b) Comply with applicable covenants, conditions, and restrictions as defined in the Desert Aire Owners Association Restated Declaration of Covenants, Conditions and Restrictions.
- (c) Use the premises exclusively for a private residence and only by Contractor's employee and members of Contractor's employee's immediate family (spouse/significant other and children). Contractor's employees may be allowed to share a residence if agreeable to both the District and the Contractor. Each adult in the household shall not allow additional families or persons to reside therein for other than visits of short duration (no more than 2 weeks).
- (d) Keep the premises in a neat, clean and sanitary condition.
- (e) Properly dispose of all rubbish, garbage, and other organic waste in a sanitary manner and assume all costs of extermination or fumigation for infestation inside the premises occurring as a result of Contractor's employee's behavior during the tenancy within the premises.
- (f) Not intentionally or negligently destroy, deface, damage, or impair or remove any part of the premises, their appurtenances, facilities, equipment, furnishings, and appliances, nor permit any member of his or her family, invitee, licensee or other person acting under his or her control to do so.
- (g) Keep the lawn mowed, trimmed, watered, and free from weeds and keep sidewalk free of ice and snow.
- (h) Keep the premises in good repair and condition including the interior, all glass, lighting, fixtures, and appliances.
- (i) Garbage receptacles as furnished by Waste Management shall be on the premises grounds. Disposal of yard wastes such as grass clippings, shrub and tree trimmings, leaves, garden residue, household garbage, etc. shall be made in the provided receptacle or otherwise removed from premises grounds to a Grant County landfill or transfer station (see section 6). **NO BURNING OF TRASH INSIDE OR IN THE VICINITY OF THE PREMISES IS PERMITTED.**
- (j) If desired by the Contractor's employee(s), decorative flowers, plants, and other small bushes may be planted at the Contractor's employee's own expense (including all maintenance and irrigation) with written approval by the District.
- (k) Notify the District immediately in writing of any necessary repairs or damage to the premises.
- (l) Permit the District, its agents, employees, or representatives to enter the premises with a two (2) business day advance notice and at reasonable times for the purpose of inspections or to make necessary repairs or improvements. Permit the District, its agents, employees, or representatives to immediately enter the premises in the event of an emergency.
- (m) Not permit a nuisance or common waste (i.e.; various garbage, old cars, lawn clippings, general refuse, etc.) to accumulate on the premises.
- (n) Store all vehicles, trailers, boats, RVs in an orderly manner. Do not allow any non-operable vehicle to be located on the adjacent street, other common parking areas, or elsewhere on the premises for more than fourteen (14) calendar days. Derelict vehicles and trailers, or parts thereof, shall not be stored the premises. Said vehicles and trailers, or parts thereof, shall be removed at the Contractor's expense within fourteen (14) calendar days of official notification

- (o) Not permit animals to be on the premises except a total of two (2) pets per household. Pets shall be limited to dogs and cats. Other animals or more than the two-animal limit may be allowed with written permission from the District. Animals normally considered barnyard animals shall not be permitted. Animals shall be contained within a fence or on a leash. Animals shall not be permitted to be a neighborhood nuisance by wandering free or by abnormal noise disturbance. All fencing shall be installed at the Contractor's expense after the District's written approval of the Contractor's design, materials, and method of construction, and approved via the Grant County permitting process (if necessary).
- (p) Not make any alterations, additions, or improvements in or to the premises, including changing or adding door locks, without the prior written approval of the District.
- (q) Once keys are issued at the time of the signing of occupancy it is the responsibility of the Contractor to replace any lost or stolen keys. The District will replace lost keys at a cost of \$10 per key, if requested by the Contractor. If an occupant becomes locked out the premises during normal District business hours, the District will open the premises for the occupant at no charge to the Contractor. After normal business hours (8:00 AM to 4:30 PM) a \$60 charge to open premises shall be charged to the Contractor. Re-coring of the premises at the request of the Contractor (for any reason including personal security) or due to lost or stolen keys will cost the Contractor \$100.00 per occurrence (cost includes cores, keys, and labor). This cost will be assessed against the Contractor.
- (r) Alterations, additions, or improvements shall become the property of the District and the Contractor's duties identified herein shall apply to such alterations, additions, and improvements. Alterations, additions, or improvements paid for by the Contractor may be removed only with written approval of the District.
- (s) Maintain smoke and carbon monoxide detection devices in accordance with the manufacturer's recommendations, including the replacement of batteries when required for the proper operation of the detection device.
- (t) No smoking is allowed within the premises.
- (u) Repair at Contractor's expense any damage to the premises caused by the Contractor's neglect within thirty (30) days of written notice from District requiring such repairs, or within a shorter time if made necessary by emergency.
- (v) Properly store and dispose of all hazardous and/or toxic materials.
- (w) Not use the premises for any purpose deemed hazardous by the District or its insurance companies.
- (x) Not sublet the premises or any part thereof nor assign this agreement in whole or in part without the prior written consent of District.
- (y) With a two (2) business day advance notice, permit the District to show the premises to prospective residents for a period of thirty (30) days prior to expiration of this agreement, and to maintain the premises in a reasonably clean condition during such period.
- (z) Upon termination, clean the premises including all windows inside and out, steam clean all carpets, wash all floorings, wipe down all cupboards and appliances, remove any stains, and conduct such other cleaning as may be necessary to restore the premises to its original state of cleanliness as existed at the beginning of the tenancy. Contractor

- shall perform all repairs as may be necessary to restore the premises to its initial condition except for reasonable wear and tear.
- (aa) In the event Contractor shall fail to take proper care of the premises, the District may enter into and do the necessary work, charging the cost thereof to the Contractor.
- (bb) Conform to all reasonable rules and regulations adopted by the District. These rules and regulations may be modified by the District upon thirty (30) days' notice to Contractor.
8. DISTRICT'S DUTIES: Upon request from the Contractor, the District will perform the following maintenance unless such repair is the result of the Contractor's employee and/or by members of Contractor's employee's immediate family (spouse/significant other and children) act or neglect, in which case the District may repair such condition and charge the Contractor for the cost of such repairs. All requests for maintenance will be made to the District Priest Rapids Hatchery Project Manager.
- (a) Maintain structural components, including roofs, floors, walls, chimneys, fireplaces, and foundations in reasonably good repair.
- (b) Maintain all electrical, plumbing, heating, and other facilities and appliances furnished by the District in reasonably good working order.
- (c) Substantially comply with applicable codes, statutes, ordinances, or regulations governing the District's duties described herein which could substantially endanger or impair the health or safety of the occupant.
- (d) Keep common areas reasonably clean, sanitary, and safe from defects increasing the hazards of fire or accident.
- (e) Provide a reasonable program for the control of infestation by insects, rodents, and other pests outside of the residence.
- (f) Provide reasonably adequate locks and furnish keys to the Contractor.
- (g) Maintain the dwelling unit in reasonably weather tight condition.
- (h) Provide tools and supplies required for lawn maintenance and snow removal responsibilities required to be performed by the Contractor under this agreement.
9. CONTRACTOR EMPLOYEE-OWNED PROPERTY DAMAGE. The District shall be held harmless for all Contractor or Contractor's employee-owned property utilized on the premises.
10. FIRE AND OTHER CASUALTY. In the event any of the premises shall be destroyed or damaged or injured by fire or other casualty, during the term of this agreement, and the results thereof shall render the premises' untenable, the District shall then have the right to render the damaged premises tenantable by repairs within thirty (30) days therefrom. If the damaged premises are not rendered tenantable within said period, it shall be optional with either party to declare in writing the cancellation of this agreement for the damaged premises only. The agreement shall remain in effect for undamaged premises.
11. MUTUAL RELEASE / WAIVER OF SUBROGATION. Notwithstanding any other provisions of this agreement, in addition to and not by way of limitation of Contractor's obligation to indemnify District as allowed by law, District and Contractor hereby mutually

waive their respective rights of recovery against each other for any loss insured by fire, extended coverage, and other premises insurance policies existing for the benefit of the respective parties.

12. DISTRICT'S LIABILITY. Neither the District nor any of its employees, agents or contractors, shall be liable for any loss or damage to person or property sustained by Contractor, its employees, or other persons which may be caused by the premises, or by any appurtenances being out of repair, or by the bursting or leakage of any water, gas, sewer or steam pipe, electrical supply, electrical equipment or apparatus, or by theft or by any act or neglect of Contractor, its agents or employees, or any other person, except to the extent that such loss or damage is caused by the neglect or intentional acts of the District or its employees or agents acting in their capacity as agents or employees to the District.
13. INDEMNITY:
 - (a) To the fullest extent permitted by law, Contractor shall indemnify District from and against any and all claims, demands, causes of action, suits or judgments (including fees, costs and expenses including attorney fees incurred in connection therewith and in enforcing this indemnity) for deaths or injuries to persons or for loss of or damage to premises arising out of or claimed to arise out of or in connection with the condition, use or occupancy of the premises or any improvements thereon by Contractor or its employees, guests, and invitees. This duty to indemnify shall not apply to claims arising out of the District's breach of this agreement or from acts of the District, its agents and employees acting in their capacity as agents or employees of the District unless otherwise herein provided. This indemnity includes, without limitation, any liability or injury to persons or properties of the District, its agents, officers, employees or invitees.
 - (b) In the event any such claims are made or suits filed, District shall give Contractor prompt written notice thereof and Contractor shall have the right to defend or settle the same to the extent of its interests therein.
 - (c) Contractor, as a material part of the consideration to be rendered to District, waives all claims against District for damages to Contractor's goods or premises in, upon or about the premises and for injury to Contractor, its employees, guests, and invitees or to other persons in or about the premises from any cause arising at any time, excluding breach of the provisions of this agreement, unless otherwise herein provided, and excluding intentional acts of District, its agents and employees acting in their capacity as agents or employees of District.
 - (d) Contractor shall pay and indemnify District as allowed by law against all costs, expenses and charges of every type, including reasonable attorney's fees, incurred in obtaining possession of the premises after default of Contractor in surrendering possession upon expiration or earlier termination of the term of this agreement, as well as any costs, expenses and charges of every type incurred by District in enforcing any of the covenants in this agreement.
14. INGRESS AND EGRESS. During the term of this agreement, the Contractor shall have the right of ingress and egress for itself, its employee(s), and its guests to the premises.

15. TERM OF TENANCY. The term of this tenancy shall be concurrent with the term of this Contract 430-12331 with the District (unless sooner terminated as provided in paragraph 16 herein by the District) and shall terminate in the event of voluntary or involuntary termination of such contract or employment with such Contractor, provided that in the event of involuntary termination of the contract or employee of such Contractor, occupant shall have thirty (30) days from the termination date in which to vacate the premises.
16. TERMINATION. The District may terminate this agreement after giving the Contractor sixty (60) days written notice of such intention to terminate this tenancy and at the end of said sixty (60) day period the Contractor shall surrender and yield possession of the premises. In the event the Contractor desires to terminate this tenancy, the Contractor shall give the District thirty (30) days written notice prior to vacating the premises.
17. NO WAIVER. Failure of District to insist upon the strict performance of the terms, covenants, agreements and conditions herein contained shall not constitute or be construed as a waiver or relinquishment of District's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.
18. CONTINUED OCCUPANCY. If Contractor lawfully continues to occupy the premises beyond the term of the agreement, the terms of the agreement shall continue on a month to month basis.
19. SERVICE OF NOTICES. All notices shall be in writing. All notices to be given to Contractor may be served on Contractor's employee(s) personally, or on any person of majority at the premises or by leaving said notice on the premises, or by sending notice by U.S. Mail, postage prepaid, addressed to the Contractor's employee(s) at the address of the leased premises or such other place as Contractor or Contractor's employee(s) may direct in writing including;

Brian Lyon
Hatchery Operations Manager/Priest Rapids Complex
Washington Department of Fish and Wildlife
PO Box 937
Mattawa WA, 99349

Washington Department of Fish and Wildlife
600 Capitol Way N
Olympia, WA 98501-1091

All notices to be given to District may be served on District personally, or by sending notice by U.S. Mail, postage prepaid, addressed to District at:

Deanne Pavlik-Kunkel
Fish and Wildlife Program Supervisor
Public Utility District No. 2 of Grant County, Wa.
PO Box 878

30 C Street SW
Ephrata, WA 98823

Or such other place as District may direct in writing. Notice shall be deemed delivered on the date of delivery if personally delivered or on the date of postmark, if mailed. All notice periods shall begin and end on midnight.

20. NUMBER; GENDER; PERMISSIVE VERSUS MANDATORY USAGE. Where the context permits, references to the singular shall include the plural and vice versa, and to the neuter gender shall include the feminine and masculine. Use of the word “may” denotes an option or privilege and not an obligation upon the party to exercise such option or privilege; use of the word “shall” denotes a duty or an obligation.
21. CAPTIONS AND CONSTRUCTION. The captions in this agreement are for the convenience of the reader and are not to be considered in the interpretation of its terms.
22. ENTIRE AGREEMENT. All understandings and agreements between the parties heretofore made are merged into this agreement, which alone fully and completely expresses their agreement. This agreement is being entered into after full investigation and neither party is relying upon statements or representations not embodied in this agreement made by the other.
23. ATTORNEY FEES / VENUE. In the event any party employs legal counsel to enforce any covenant of this agreement, or to pursue any other remedy on default as provided herein, or by law, the substantially prevailing party shall be entitled to recover reasonable attorneys’ fees, appraisal fees, title search fees, other necessary expert witness fees and all other costs and expenses not limited to court action. Such sum shall be included in any judgment or decree entered. Venue of any action filed to enforce or interpret the provisions of this agreement, including all depositions, shall be exclusively in the Superior Court of Grant County, Washington.
24. NO ADDITIONAL CHARGES. The use of residential housing as provided in this Agreement shall not be a basis for additional charges by Contractor to the District unless the parties agree to those changes in writing.

Public Utility District No. 2 of Grant County, WA

Move-In/Move-Out Check List

A move-in/move-out checklist is hereby made a part of the Agreement between Washington State Department of Fish & Wildlife (WDFW), and Public Utility District #2 of Grant County, WA (District), dated July 1, 2016 by and between WDFW and the District for premises located at

1. **516 W. Autumn Loop, Desert Aire, WA 99349**
2. **858 N. Desert Aire Drive, Desert Aire, WA 99349**
3. **306 N. Atterbury Drive, Desert Aire, WA 99349**

Move-In Date: _____

Inspection Date: _____

Move-Out Date: _____

Inspection Date: _____

1. This checklist, which will be provided by the District, is to be completed by the Contractor moving in and moving out of the residence. The Contractor is required to be present during inspections. The Contractor agrees that there are no further defects except as noted herein and that in fact the Contractor has accepted the premises, its furnishings, and appliances in good and satisfactory condition except as noted herein.
2. Upon vacating the premises, the Contractor shall have the premises in the same or better condition as when accepted by the Contractor, reasonable wear expected.

Motion authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Contract 430-12306 with the Washington Department of Fish and Wildlife (WDFW), in an amount not-to-exceed \$1,295,801.00 and with a contract completion date of June 30, 2027.

3482

MEMORANDUM

May 29, 2024

TO: Rich Wallen, General Manager

VIA: Jeff Grizzel, Chief Operating Officer
Ross Hendrick, Senior Manager of Environmental Affairs

FROM: Tom Dresser, Fish, Wildlife, and Water Quality Manager
Deanne Pavlik-Kunkel, Fish and Wildlife Program Supervisor

SUBJECT: New Contract – Priest Rapids Hatchery Monitoring and Evaluation

Purpose: To request Commission approval of a new 3-year \$1,295,801 Contract to provide services from the Washington Department of Fish and Wildlife (WDFW) for the Priest Rapids Hatchery Monitoring and Evaluation plan from July 1, 2024 through June 30, 2027.

Background: The Public Utility District No. 2 of Grant County, Washington (the District) entered into the Priest Rapids Salmon and Steelhead Settlement Agreement (SSSA) with multiple parties during 2005 and 2006. The SSSA included specific measures to protect, mitigate and enhance populations of non-ESA-listed salmon species that migrate through the Priest Rapids Project (coho, sockeye, fall and summer Chinook) and also included additional measures to protect, mitigate and enhance ESA-listed populations. The SSSA was adopted into the District's Federal Energy Regulatory Commission (FERC) License Order in April 2008.

Under Part IX, Section 9.5 "Fall Chinook Artificial Production Goals" of this agreement and in accordance with the Priest Rapids Hatchery Genetic Management Plan's Monitoring and Evaluation Plan, Grant PUD is required to conduct monitoring and evaluation (M&E) of the Priest Rapids Hatchery fall Chinook salmon program. The objective of the monitoring and evaluation plan is to evaluate the performance of the Priest Rapids Hatchery upper Columbia River fall Chinook program and its ability to meet the District's hatchery mitigation requirements.

This Contract provides a three-year (July 1, 2024 through June 30, 2027) scope of work and budget for M&E performed by the WDFW for the Priest Rapids Hatchery's upper Columbia River fall Chinook hatchery mitigation program.

WDFW was selected to conduct M&E activities for fall Chinook mitigation program because of their scientific and research experience and expertise. They have been good partners in ensuring M&E of the District's fall Chinook program meets District obligations and PRCC Hatchery Subcommittee requirements. Additionally, working with WDFW has allowed us to partner with the United States Army Corp of Engineers (ACOE) and WDFW in sharing the cost of conducting fall Chinook monitoring in the Project Area and the Hanford Reach.

The current Professional Services Contract (430-10921) is set to expire on June 30, 2024.

Justification: In 2010, the District began monitoring the Priest Rapids fall Chinook program as required by the SSSA, Part IX. Although Priest Rapids Hatchery has been operated since 1963, no comprehensive M&E plan was associated with its operation. Prior to 2010, monitoring by WDFW provided basic information on the age structure and origin of fall Chinook both at the hatcheries and in the Hanford Reach but it was not sufficient to meet the tasks and objectives of the Priest Rapids Hatchery Monitoring and Evaluation Plan required by the District's FERC license. Contract 430-3218 and subsequent Change Orders, including the last Change Order No. 9 and the most recent contract (430-10921), fulfilled the District M&E mitigation obligations for the fall Chinook salmon artificial propagation program and the associated Priest Rapids Hatchery Genetic and Management Plan's Monitoring and Evaluation Plan as

required under the SSSA for the contract period. This new three-year contract will continue the required work.

At this time, the FWWQ Department does not have the biological staff or the expertise necessary to complete this work in-house. FWWQ staff also believes that a contract with WDFW is the most cost effective and biologically prudent option in meeting the District's mitigation obligations for monitoring and evaluation of the upper Columbia River fall Chinook program, for the following reasons:

- ✓ WDFW has the biological staff with specific expertise in conducting the required monitoring and evaluation assessments present and available and;
- ✓ Through the WDFW M&E contract with the ACOE, the District will be able to share the cost of M&E activities for the Priest Rapids Hatchery fall Chinook program with the ACOE and WDFW. The ACOE is responsible for 37.64% of the total annual Priest Rapids Hatchery M&E cost (except for work associated with otoliths); for example, in the first year of the new contract the total cost of conducting monitoring and evaluation activities, including both ACOE and District expenses is budgeted at \$544,730 of which the ACOE share of the cost would be \$124,969. Additionally, the WDFW provides additional staffing that are paid for by the WDFW Coded Wire Tag program.

Financial Considerations: The District's FWWQ staff went through a rigorous line-item review and negotiation process in an effort to hold costs in check and ensure that proposed tasks and the associated budget were tied to the District's Priest Rapids Hatchery upper Columbia River fall Chinook program M&E requirements and aligned with the District's long-term strategic goals related to program monitoring and assessment.

FWWQ staff reviewed all line-item tasks and evaluated expected fish runs and potential workloads to ensure the number of crewmembers is necessary to complete tasks identified in the Statement of Work. Costs under the new 3-year contract increased \$63,292 (5.6%) compared with the previous 3-year contracted cost and are primarily a result of increased inflation and staff costs.

WDFW is anticipating its indirect rate to decrease to 36.03% (from 36.28% on July 31, 2021) for the fiscal year 2024. This decrease is the result of cost-of-living adjustments, benefits, central service cost.

WDFW is uniquely qualified and positioned to perform the monitoring and evaluation tasks required under the fall Chinook program's M&E Plan, and despite minor increases, FWWQ staff believe that a new contract with WDFW for Professional Services is the least-cost option. Other alternatives were contemplated but were not considered feasible or would result in increased cost to Grant PUD. Alternatives considered include:

1. Using Grant PUD staff to implement the fall Chinook program M&E activities. This option is not feasible at this time. The District does not have the biological staff necessary to complete this work nor the in-house expertise in monitoring and evaluating Chinook salmon populations. To implement the program, many staff would need to be hired and trained, at a likely higher cost than contracting with WDFW.
2. Other Contractors. This option does not make sense at this time. WDFW has extensive experience in meeting objectives in the Project Area and, as a fisheries resource co-manager, a vested interest in operating a quality M&E program. Further, the ACOE plans to contract with WDFW to complete their share of the monitoring and evaluation for fall Chinook reared in Priest Rapids Hatchery and Ringold Hatchery. Cost sharing of M&E activities reduces Grant PUD's overall M&E costs through collaboration and data sharing conducted through a multiple mitigation program in the Project Area and the Hanford Reach.

3. No Contract Implemented. By not entering into a new contract for this work, the District will be in violation of the terms and conditions of its FERC license.

If approved by the Commission, the new contract would be 3 years long and have a NTE amount of \$1,295,801. This item is allocated in the District's approved 2024 Operations and Maintenance budget and will be included in the proposed 2025 budget under Cost Center EB4220, and Initiative Fall Chinook Mitigation Program. Todd Pearsons is the District Representative.

Change Order History: Not Applicable.

Legal Review: See attached email.

Recommendation: Commission approval of a new 3-year \$1,295,801 Contract to provide services from the Washington Department of Fish and Wildlife (WDFW) for the Priest Rapids Hatchery Monitoring and Evaluation from July 1, 2024 through June 30, 2027.

From: [Richard Wallen](#)
To: [Deanne Pavlik-Kunkel](#); [Tom Dresser](#); [Ross Hendrick](#); [Jeff Grizzel](#)
Cc: [Todd Pearsons](#); [Shelli Tompkins](#)
Subject: RE: ACTION: RESPOND: Final Approvals for the PR Hatchery Monitoring and Evaluation contract Commission memo
Date: Tuesday, May 28, 2024 11:12:37 AM
Attachments: [image003.png](#)

No concerns from me, nicely done.

Kind regards,

Rich Wallen
General Manager/Chief Executive Officer

OFFICE 509.754.6744
EXT. 2515
CELL 509.450.0465
EMAIL rwallen@gcpud.org



grantpud.org

From: Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>
Sent: Tuesday, May 28, 2024 7:43 AM
To: Tom Dresser <TDresse@gcpud.org>; Ross Hendrick <Rhendr1@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Richard Wallen <rwallen@gcpud.org>
Cc: Todd Pearsons <Tpearso@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>
Subject: ACTION: RESPOND: Final Approvals for the PR Hatchery Monitoring and Evaluation contract Commission memo

<p>Action Required</p>	<p>Greetings, Attached, please find the final version of the PR Hatchery Monitoring and Evaluation contract Commission Memo previously reviewed and edited. Please reply to all with your approvals on the memo.</p> <p>Shelli will attach the email approvals in Contracts365 and ensure the memo is included in the June 11 meeting packet (due this Thursday 5/30/2024).</p> <p>Please reach out if there are questions or concerns.</p> <p>Thanks so much, Deanne</p>
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By when (date; time):	5/29/2024
Critical Info:	
Detailed Info (if needed):	
Links to docs (if needed):	

Deanne Pavlik-Kunkel

Fish & Wildlife Program Supervisor – Hatchery & Habitat

OFFICE 509-754-5088

EXT. 2154

CELL 509-951-7343

EMAIL dpavlikkunkel@gcpud.org



grantpud.org

From: [Jeff Grizzel](#)
To: [Deanne Pavlik-Kunkel](#); [Tom Dresser](#); [Ross Hendrick](#); [Richard Wallen](#)
Cc: [Todd Pearsons](#); [Shelli Tompkins](#)
Subject: RE: ACTION: RESPOND: Final Approvals for the PR Hatchery Monitoring and Evaluation contract Commission memo
Date: Tuesday, May 28, 2024 7:55:54 AM
Attachments: [image001.png](#)

Looks good Deanne – I inserted just one comment/question near the end of the memo regarding budget.

Jeff

From: Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>
Sent: Tuesday, May 28, 2024 7:43 AM
To: Tom Dresser <TDresse@gcpud.org>; Ross Hendrick <Rhendr1@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Richard Wallen <rwallen@gcpud.org>
Cc: Todd Pearsons <Tpearso@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>
Subject: ACTION: RESPOND: Final Approvals for the PR Hatchery Monitoring and Evaluation contract Commission memo

Action Required	<p>Greetings, Attached, please find the final version of the PR Hatchery Monitoring and Evaluation contract Commission Memo previously reviewed and edited. Please reply to all with your approvals on the memo.</p> <p>Shelli will attach the email approvals in Contracts365 and ensure the memo is included in the June 11 meeting packet (due this Thursday 5/30/2024).</p> <p>Please reach out if there are questions or concerns.</p> <p>Thanks so much, Deanne</p>
	<p>By when (date; time): 5/29/2024</p>
	<p>Critical Info:</p>
	<p>Detailed Info (if needed):</p>
	<p>Links to docs (if needed):</p>

Deanne Pavlik-Kunkel

Fish & Wildlife Program Supervisor – Hatchery & Habitat

OFFICE 509-754-5088
EXT. 2154
CELL 509-951-7343
EMAIL dpavlikkunkel@gcpud.org



grantpud.org

From: [Ross Hendrick](#)
To: [Deanne Pavlik-Kunkel](#)
Cc: [Tom Dresser](#); [Shelli Tompkins](#)
Subject: RE: ACTION: RESPOND: Final Approvals for the PR Hatchery Monitoring and Evaluation contract Commission memo
Date: Tuesday, May 28, 2024 12:11:27 PM
Attachments: [image002.png](#)

Thanks Deanne, looks good and I approve

From: Richard Wallen <rwallen@gcpud.org>
Sent: Tuesday, May 28, 2024 11:13 AM
To: Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>; Tom Dresser <TDresse@gcpud.org>; Ross Hendrick <Rhendr1@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>
Cc: Todd Pearsons <Tpearso@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>
Subject: RE: ACTION: RESPOND: Final Approvals for the PR Hatchery Monitoring and Evaluation contract Commission memo

No concerns from me, nicely done.

Kind regards,

Rich Wallen
General Manager/Chief Executive Officer

OFFICE 509.754.6744
EXT. 2515
CELL 509.450.0465
EMAIL rwallen@gcpud.org



grantpud.org

From: Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>
Sent: Tuesday, May 28, 2024 7:43 AM
To: Tom Dresser <TDresse@gcpud.org>; Ross Hendrick <Rhendr1@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Richard Wallen <rwallen@gcpud.org>
Cc: Todd Pearsons <Tpearso@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>
Subject: ACTION: RESPOND: Final Approvals for the PR Hatchery Monitoring and Evaluation contract Commission memo

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By when (date; time):	5/29/2024
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Deanne Pavlik-Kunkel

Fish & Wildlife Program Supervisor – Hatchery & Habitat

OFFICE 509-754-5088
 EXT. 2154
 CELL 509-951-7343
 EMAIL dpavlikkunkel@gcpud.org



grantpud.org

From: [Tom Dresser](#)
To: [Deanne Pavlik-Kunkel](#); [Ross Hendrick](#); [Jeff Grizzel](#); [Richard Wallen](#)
Cc: [Todd Pearsons](#); [Shelli Tompkins](#)
Subject: Re: ACTION: RESPOND: Final Approvals for the PR Hatchery Monitoring and Evaluation contract Commission memo
Date: Tuesday, May 28, 2024 7:53:22 AM
Attachments: [image001.png](#)

All - I approve of the memo. Ross - I am not sure where Rey fits into the review process, so if he does, can you add a review for him.

Tom

From: Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>
Sent: Tuesday, May 28, 2024 7:43 AM
To: Tom Dresser <TDresse@gcpud.org>; Ross Hendrick <Rhendr1@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Richard Wallen <rwallen@gcpud.org>
Cc: Todd Pearsons <Tpearso@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>
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	<p>Critical Info:</p>
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	<p>Links to docs (if needed):</p>

Deanne Pavlik-Kunkel

Fish & Wildlife Program Supervisor – Hatchery & Habitat

OFFICE 509-754-5088
EXT. 2154
CELL 509-951-7343
EMAIL dpavlikkunkel@gcpud.org



grantpud.org

From: [Deanne Pavlik-Kunkel](#)
To: [Shelli Tompkins](#)
Subject: RE: ACTION: RESPOND: Final Approvals for the PR Hatchery Monitoring and Evaluation contract Commission memo
Date: Tuesday, May 28, 2024 11:53:30 AM
Attachments: [image001.png](#)

Shelli,
I approve the memo as well.

Thanks,
Deanne

From: Tom Dresser <TDresse@gcpud.org>
Sent: Tuesday, May 28, 2024 7:53 AM
To: Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>; Ross Hendrick <Rhendr1@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Richard Wallen <rwallen@gcpud.org>
Cc: Todd Pearsons <Tpearso@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>
Subject: Re: ACTION: RESPOND: Final Approvals for the PR Hatchery Monitoring and Evaluation contract Commission memo

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From: Deanne Pavlik-Kunkel <Dpavlikkunkel@gcpud.org>
Sent: Tuesday, May 28, 2024 7:43 AM
To: Tom Dresser <TDresse@gcpud.org>; Ross Hendrick <Rhendr1@gcpud.org>; Jeff Grizzel <Jgrizzel@gcpud.org>; Richard Wallen <rwallen@gcpud.org>
Cc: Todd Pearsons <Tpearso@gcpud.org>; Shelli Tompkins <stompkins@gcpud.org>
Subject: ACTION: RESPOND: Final Approvals for the PR Hatchery Monitoring and Evaluation contract Commission memo

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Deanne Pavlik-Kunkel

Fish & Wildlife Program Supervisor – Hatchery & Habitat

OFFICE 509-754-5088

EXT. 2154

CELL 509-951-7343

EMAIL dpavlikkunkel@gcpud.org



grantpud.org

AGREEMENT FOR PROFESSIONAL SERVICES

This Agreement, effective upon full execution, is by and between Public Utility District No. 2 of Grant County, Washington (“District” or “GCPUD”) and Washington State Department of Fish and Wildlife (“Contractor” or “WDFW”);

Recitals:

The District desires to obtain monitoring and evaluation (M&E) services for the Priest Rapids Hatchery Fall Chinook Mitigation Program; and

The District's Senior Manager of Environmental Affairs and staff believes this will fulfill the District's mitigation requirements under its FERC license and the 2006 Salmon and Steelhead Settlement Agreement related to monitoring and evaluation of its fall Chinook production program at Priest Rapids Hatchery; and

The undersigned Contractor is willing to perform professional services on the terms and conditions specified herein.

NOW, THEREFORE, in consideration of the mutual covenants herein, the parties hereto agree as follows:

1. Scope of Services

- A. Contractor shall provide but not be limited to providing M&E services for the Priest Rapids Hatchery Fall Chinook Mitigation Program as described in detail in the Statement of Work and Budget for 2024-2027 Priest Rapids Hatchery Monitoring and Evaluation, attached hereto as Appendix “A”.
- B. In the event that the District requires the Contractor to perform specific services in addition to the above detailed Scope of Services, the District will authorize the Contractor to perform such work by means of a Task Authorization for Professional Services (Appendix “C”) to be signed by both the District and the Contractor. Such authorization may be issued by the District Representative, and will define the scope of the task, any time requirements, and budget limitations.

The District reserves the right to suspend or terminate any authorized task at any time or to extend the Contract beyond the initial term by issuance of a Change Order in accordance with Section 5 to complete any work already initiated and/or authorized under the original term and scope of the Contract.

2. Independent Contractor

- A. The Contractor shall operate as, and have the status of, an independent Contractor and will not be an agent or employee of the District nor will it be entitled to any employee benefits provided by the District. All the Contractor's activities will be conducted at its own risk and be in compliance with all federal, state and local laws.
- B. The Contractor shall perform its services with the level of skill, care and diligence normally provided by and expected of professional persons performing services similar to or like those to be performed hereunder. Contractor understands that the District will be relying

upon the accuracy, competency, credibility and completeness of the services provided by the Contractor hereunder and that the District and its customers will be utilizing the results of such services.

3. Term - Schedule

This Agreement shall remain in full force and effect until June 30, 2027 or until terminated pursuant to Section 17.

4. Compensation and Payment

A. District shall reimburse Contractor for actual costs incurred under this Agreement, including overheads which are properly allocable in accordance with generally accepted accounting standards consistently applied. In no event however, shall the total amount paid to Contractor for services and all reimbursable costs exceed the sum of \$1,295,801.00 USD unless a Change Order authorizing the same is issued in accordance with Section 5 below.

B. Contractor shall submit monthly invoices to the attention of:

Public Utility District No. 2
of Grant County, Washington
Attn: Accounts Payable
PO Box 878
Ephrata, WA 98823
Or AccountsPayable@gcpud.org

C. Invoices shall include the Contract number and a detailed description of the work performed. This includes the number of samples processed and the cost per sample for laboratory work such as the processing of scales and otoliths. Invoices should also provide sufficient detail to evaluate what goods were purchased.

D. Payment will be made by the District upon completion of work following District approval of Contractor's invoices. Invoice shall be subject to the review and approval of the District. Invoice shall be in a detailed and clear manner supported by such information the District may require. The District will make payment to Contractor within 30 days after District's receipt and approval of said invoice. Contractor understands and agrees that by executing this Contract with the District, the District shall make payment(s) by automated clearing house (ACH).

5. Change Orders

Except as provided herein, no official, employee, agent or representative of the District is authorized to approve any change in this Contract and it shall be the responsibility of the Contractor before proceeding with any change, to satisfy itself that the execution of the written Change Order has been properly authorized on behalf of the District. The District's management has limited authority to approve Change Orders. The current level and limitations of such authority are set forth in District Resolution No. 8609 which may be amended from time to time. Otherwise, only the District's Board of Commissioners may approve changes to this Contract.

Charges or credits for the work covered by the approved changes shall be determined by written agreement of the parties and shall be made on Change Order form as reflected on Appendix "B".

When a change is ordered by the District, as provided herein, a Change Order shall be executed by the District and the Contractor before any Change Order work is performed. When requested, Contractor shall provide a detailed proposal for evaluation by the District, including details on proposed cost. The District shall not be liable for any payment to Contractor, or claims arising there from, for Change Order work which is not first authorized in writing. All terms and conditions contained in the Contract Documents shall be applicable to Change Order work. Change Orders shall be issued on the form attached as Appendix "B" and shall specify any change in time required for completion of the work caused by the Change Order and, to the extent applicable, the amount of any increase or decrease in the Contract Price.

6. Taxes

- A. Except for the Washington State retail sales and use taxes as may be levied upon the Contract, pursuant to RCW Chapters 82.08 and 82.12, the Contract Price includes and the Contractor shall have the full exclusive liability for the payment of all taxes, levies, duties and assessments of every nature due and payable in connection with this Contract or its employees and subcontractors performing work related to this Contract.
- B. Washington State retail sales tax and use taxes levied upon this Contract pursuant to RCW Chapters 82.08 and 82.12 are excluded from the rates and if applicable will be reimbursed as follows:
 - 1. If the Contractor has, or is required to have a valid Washington State sales tax identification number, the identification number shall be furnished to the District upon request. The Contractor shall make payment of any Washington State retail sales and use taxes due and Contractor shall be reimbursed by the District for the same. Contractor shall be solely responsible for any interest or penalties arising from late or untimely payment of said taxes.
 - 2. If the Contractor is not required to have a valid Washington State sales tax identification number, it shall notify the District of the same. In such event, the District, after receiving proper invoices from Contractor, shall make payment of said Washington State retail sales and use taxes levied upon this Contract to the Washington State Department of Revenue.

7. Hold Harmless and Indemnification

To the fullest extent permitted by law, the Contractor shall, at its sole expense, indemnify, defend, save, and hold harmless the District, its officers, agents, and employees from all actual or potential claims or losses, including costs and legal fees at trial and on appeal, and damages or claims for damages to property or persons, suffered by anyone whomsoever, including the District, to the extent caused by any negligent act of or omission of the Contractor or its subcontractors, excluding damages caused by the negligence of the District, in the administration or performance of this Agreement or any subcontracts, and for which either of the parties, their officers, agents, or employees may or shall be liable. In situations where liability for damages arises from claims of bodily injury to persons or damage to property, this indemnity provision shall be valid and enforceable only to the extent of the negligence of the Contractor or its subcontractors. Contractor waives its immunity under industrial insurance, Title 51 RCW, to the extent necessary to effectuate this indemnification/hold harmless agreement. Contractor's indemnification obligation shall not apply to liability for damages arising out of bodily injury to a person or damage to property caused by the negligence of the District or its agents or employees and not attributable to any act or

omission on the part of the Contractor. In the event of damages to a person or property caused by or resulting from the concurrent negligence of District or its agents or employees and the Contractor or its agents or employees, the Contractor's indemnity obligation shall apply only to the extent of the Contractor's (including that of its agents and employees) negligence.

Contractor acknowledges that by entering into this Contract with the District, it has mutually negotiated the above indemnity provision with the District. Contractor's indemnity and defense obligations shall survive the termination or completion of the Contract and shall remain in full force and effect until satisfied in full.

8. Insurance

A. Prior to the commencement of any work under this Agreement, and at all times during the term of this Agreement, Contractor shall obtain and maintain continuously, at its own expense, a policy or policies of insurance with insurance companies rated A- VII or better by A. M. Best or A by S&P, as enumerated below. Any deductible, self-insured retention or coverage via captive \$25K or above must be disclosed and is subject to approval by the District's Risk Manager. The cost of any claim payments falling within the deductible or self-insured retention shall be the responsibility of the Contractor and not recoverable under any part of this Contract.

Contractor Required Insurance

Contractor is Self-Insured under the Washington State Self-Insurance Pool. Contractor shall provide a Certificate of their Self-Insurance within 10 days of Contract award. Contract does not provide other insurance beyond the certificate that will be provided.

1. **General Liability Insurance:** Commercial general liability insurance, covering all operations by or on behalf of Contractor against claims for bodily injury (including death) and property damage (including loss of use). Such insurance shall provide coverage for:

- a. Premises and Operations;
- b. Products and Completed Operations;
- c. Contractual Liability;
- d. Personal Injury Liability (with deletion of the exclusion for liability assumed under Contract);
- e. Pollution Liability (sudden and accidental);

with the following **minimum limits:**

- f. \$1,000,000 Each Occurrence
- g. \$1,000,000 Personal Injury Liability
- h. \$2,000,000 General Aggregate (per project)
- i. \$2,000,000 Products and Completed Operations Aggregate

Commercial general liability insurance will include the District as additional insured on a primary and non-contributory basis for ongoing operations. A waiver of subrogation will apply in favor of the District.

2. **Workers' Compensation and Stop Gap Employers Liability:** Workers' Compensation Insurance as required by law for all employees. Employer's Liability Insurance, including Occupational Disease coverage, in the amount of **\$1,000,000 for Each Accident, Each Employee, and Policy Limit**. The Contractor expressly agrees to comply with all provisions of the Workers' Compensation Laws of the states or countries where the work is being performed, including the provisions of Title 51 of the Revised Code of Washington for all work occurring in the State of Washington.

If there is an exposure of injury or illness under the U.S. Longshore and Harbor Workers (USL&H) Act, Jones Act, or under U.S. laws, regulations or statutes applicable to maritime employees, coverage shall be included for such injuries or claims. Such coverage shall include USL&H and/or Maritime Employer's Liability (MEL).

3. **Automobile Liability Insurance:** Automobile Liability insurance against claims of bodily injury (including death) and property damage (including loss of use) covering all owned, rented, leased, non-owned, and hired vehicles used in the performance of the work, with a **minimum limit of \$1,000,000 per accident** for bodily injury and property damage combined and containing appropriate uninsured motorist and No-Fault insurance provision, when applicable.

Automobile liability insurance will include the District as additional insured on a primary and non-contributory basis. A waiver of subrogation will apply in favor of the District.

4. **Professional Liability:** Contractor shall provide professional liability insurance with a **minimum limit of \$1,000,000 per claim**.

If such policy is written on a claims made form, the retroactive date shall be prior to or coincident with the Effective Date of this Agreement. Claims made form coverage shall be maintained by the Contractor for a minimum of three years following the termination of this Agreement, and the Contractor shall annually provide the District with proof of renewal. If renewal of the claims made form of coverage becomes unavailable, or economically prohibitive, the Contractor shall purchase an Extended Reporting Period Tail or execute another form of guarantee acceptable to the District to assure financial responsibility for liability for services performed.

If Contractor shall hire subcontractor for all operations and risk involving professional services exposure, this requirement may be satisfied by subcontractor's policies. Contractor shall impute the insurance requirements stated in this section to subcontractor by written contract or written agreement. Any exceptions must be mutually agreed in writing with the District.

- B. Evidence of Insurance - Prior to performing any services, and within 10 days after receipt of the Contract Award, the Contractor shall file with the District a Certificate of Insurance

showing the Insuring Companies, policy numbers, effective dates, limits of liability and deductibles with a copy of the endorsement naming the District as an Additional Insured for each policy where indicated in Section A.

Failure of the District to demand such certificate or other evidence of compliance with these insurance requirements or failure of the District to identify a deficiency from the provided evidence shall not be construed as a waiver of the Contractor's obligation to maintain such insurance. Acceptance by the District of any certificate or other evidence of compliance does not constitute approval or agreement by the District that the insurance requirements have been met or that the policies shown in the certificates or other evidence are in compliance with the requirements.

The District shall have the right but not the obligation of prohibiting the Contractor or subcontractor from entering the project site until such certificates or other evidence of insurance has been provided in full compliance with these requirements. If the Contractor fails to maintain insurance as set forth above, the District may purchase such insurance at the Contractor's expense. The Contractor's failure to maintain the required insurance may result in termination of this Contract at the District's option.

- C. Subcontractors - Contractor shall ensure that each subcontractor meets the applicable insurance requirements and specifications of this Agreement. All coverage for subcontractors shall be subject to all the requirements stated herein and applicable to their profession. Contractor shall furnish the District with copies of certificates of insurance evidencing coverage for each subcontractor upon request.
- D. Cancellation of Insurance - The Contractor shall not cause any insurance policy to be canceled or permit any policy to lapse. Insurance companies or Contractor shall provide 30 days advance written notice to the District for cancellation or any material change in coverage or condition, and 10 days advance written notice for cancellation due to non-payment. Should the Contractor receive any notice of cancellation or notice of nonrenewal from its insurer(s), Contractor shall provide immediate notice to the District no later than two days following receipt of such notice from the insurer. Notice to the District shall be delivered by facsimile or email.

9. Assignment

Contractor may not assign this Agreement, in whole or in part, voluntarily or by operation of law, unless approved in writing by the District.

10. Records - Audit

- A. The results of all work and services performed by the Contractor hereunder shall become the property of the District upon completion of the work herein performed and shall be delivered to the District prior to final payment.
- B. The Contractor shall maintain books, records, documents and other evidence, which sufficiently and properly reflects all direct and indirect costs expended by it relating to this Agreement. These "records" shall be subject to inspection, review or audit by the District or its authorized representatives, the Office of the State Auditor, and federal officials so authorized by law. All books, records, documents, and other material relevant to this Agreement will be retained for six years after expiration and the Office of the State Auditor,

federal auditors, and any persons duly authorized by the Parties shall have full access and the rights to examine any of these materials during this period

- C. Contractor shall keep and maintain complete and accurate records of its costs and expenses related to the work or this Contract in accordance with sound and generally accepted accounting principles applied on a consistent basis. Contractor will provide the District a full copy of the annual auditors' report, including all attachments and management letters within 30 days of receipt of the same..
- D. The Contractor's "records", referenced in this section, shall upon reasonable notice be open to inspection and subject to audit and/or reproduction during normal business hours. Such audits may be performed by the District Representative or an outside representative hired by the District throughout the term of this contract and for a period of six years after final payment.
- E. Contractor shall require all payees to comply with the provisions of this article by including the requirements hereof in a written contract agreement between Contractor and payee. Such requirements to include flow-down right of audit provisions in contracts with payees will also apply to subcontractors and sub-subcontractors, material suppliers, etc. Contractor will cooperate fully and cause all of Contractor's subcontractors to cooperate fully in furnishing or in making available to the District from time to time whenever requested, in an expeditious manner, any and all such information, materials and data.
- F. District's authorized representative or designee shall have reasonable access to the Contractor's facilities, shall be allowed to interview all current or former employees to discuss matters pertinent to the performance of this agreement and shall be provided adequate and appropriate work space, in order to conduct audits in compliance with this article.
- G. Any adjustments and/or payments which must be made as a result of any such audit or inspection of the Contractor's invoices or records shall be made within a reasonable amount of time (not to exceed 90 days) from presentation of District's findings to Contractor.

11. Nondisclosure

Contractor agrees that it will not divulge to third parties, without the written consent of the District, any information obtained from or through District in connection with the performance of this Contract. Contractor further agrees that it will not, without the prior written consent of District, disclose to any third party any information developed or obtained by the Contractor in the performance of this Contract and, if requested by District, to require its employees and subcontractors, if any, to execute a nondisclosure agreement prior to performing any services under this Contract. Nothing in this section shall apply to:

- A. Information which is already in the Contractor's possession not subject to any existing confidentiality provisions,
- B. Information which, at the time of disclosure, is in the public domain by having been printed and published and available to the public libraries or other public places where such data is usually collected, and

- C. Information required to be disclosed by court order or by an agency with appropriate jurisdiction.

12. Public Records Act

The District and the Contractor are subject to the disclosure obligations of the Washington Public Records Act of RCW 42.56. The Contractor expressly acknowledges and agrees that any information Contractor submits is subject to public disclosure pursuant to the Public Records Act or other applicable law and the District may disclose Contractor's proposal and/or information at its sole discretion in accordance with its obligations under applicable law.

13. Applicable Law

Contractor shall comply with all applicable federal, state and local laws and regulations including amendments and changes as they occur. All written instruments, agreements, specifications and other writing of whatsoever nature which relate to or are a part of this Agreement shall be construed, for all purposes, solely and exclusively in accordance and pursuant to the laws of the State of Washington. The rights and obligations of the District and Contractor shall be governed by the laws of the State of Washington. Venue of any action filed to enforce or interpret the provisions of this Agreement shall be exclusively in the Superior Court, County of Grant, State of Washington or the Federal District Court for the Eastern District of Washington at the District's sole option. In the event of litigation to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable legal fees in addition to any other relief allowed.

14. Subcontracts/Purchases

- A. The Contractor is authorized to make purchases of materials and equipment required for the work and is not authorized to enter into subcontracts. Any material purchases not included in the approved budget and greater than \$1,000.00 or any small and attractive asset greater than \$500.00 shall be approved in advance by the District Representative and Procurement Officer.
- B. Whenever the cost for any single item of material is estimated to exceed \$5,000.00, the Contractor shall obtain three quotes and submit to the Procurement Officer for approval. These quotes shall be submitted for approval prior to purchasing the material. Approved material shall be invoiced at cost. A copy of the invoice showing actual cost must be submitted with the Contractor's invoice to the District. In addition, if prevailing wages apply to the material purchase, a copy of the associated Intent to Pay Prevailing Wages and Affidavit of Wages Paid must be attached. In no event shall a material purchase of like items exceed \$15,000.00.

15. Notices

Any notice or other communication under this Contract given by either party shall be sent via email to the email address listed below, or mailed, properly addressed and stamped with the required postage, to the intended recipient at the address and to the attention of the person specified below and shall be deemed served when received and not mailed. Either party may from time to time change such address by giving the other party notice of such change.

District

Todd Pearsons
Public Utility District No. 2 of
Grant County, Washington
PO Box 878
154 A Street SE
Ephrata, WA 98823
14352 Highway 243 S Building 6
Beverly, WA 99321
(509) 764-0500 ext. 3304
tpearso@gcpud.org

Contractor

Steven Richards
Washington State Department of
Fish and Wildlife
2620 N. Commercial Ave.
Pasco, Washington 99301
Phone No: (509) 545-2050
Steven.Richards@dfw.wa.gov

For purposes of technical communications and work coordination only, the District designates Todd Pearsons and the Contractor designates Steven Richards as its representative. Said individual shall have no authority to authorize any activity which will result in any change in the amount payable to Contractor. Such changes, if any, must be by written Change Order issued in accordance with Section 5 to be valid and binding on both parties.

16. Ownership of Work Product/Copyright

- A. All rights in the various work produced for or under this Agreement, including but not limited to study plans, results, drafts, charts, graphs, videos, summaries and any other forms of presentation, collectively referred to as "Work Product" shall belong to and be the exclusive property of the District. Contractor shall not use the Work Product outside the scope of this Contract without express written permission from the District.
- B. Contractor acknowledges and agrees that all services/work are specifically ordered under an agreement with Public Utility District No. 2 of Grant County, Washington, and shall be considered "work made for hire" and "Work Product" for purposes of copyright. All copyright interest in Work Product shall belong to and be the exclusive property of the District.
- C. Contractor shall attach and require each of its subcontractors to attach the following statement to all Work Product:
 - ©. PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON. ALL RIGHTS RESERVED UNDER U.S. AND FOREIGN LAW, TREATIES AND CONVENTIONS.
 - THE ATTACHED WORK WAS SPECIFICALLY ORDERED UNDER AN AGREEMENT WITH PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON. ALL RIGHTS IN THE VARIOUS WORK PRODUCED FOR OR UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO STUDY PLANS AND STUDY RESULTS, DRAFTS, CHARTS, GRAPHS AND OTHER FORMS OF PRESENTATION, SUMMARIES AND FINAL WORK PRODUCTS, ARE THE EXCLUSIVE PROPERTY OF THE DISTRICT.
- D. Upon final acceptance or termination of this Agreement, Contractor shall immediately turn over to the District all Work Product. This does not prevent the Contractor from making a file copy for their records.

17. Termination

- A. District may, at any time, for any reason, terminate Contractor's services in connection with this Agreement, or any part thereof, by designating that portion of the services to be terminated. In case of termination pursuant to this Section A, District will make payment at the rates specified in this Agreement for services properly performed up to the date of termination. However, in no event shall Contractor be entitled to any other payment to or any anticipated fee or profit on unperformed work.
- B. In the event of Contractor's breach or abandonment of this Contract, the District may thereupon and without further notice, terminate this Agreement. The District without waiving any other remedies available to it, may retain any monies otherwise due Contractor under this Agreement to the extent such sums are required to compensate District, in whole or in part, for any loss or damage caused by Contractor's breach or abandonment.

18. Non-Waiver

No waiver of any provision of this Agreement, or any rights or obligations of either Party under this Agreement, shall be effective, except pursuant to a written instrument signed by the Party or Parties waiving compliance, and any such waiver shall be effective only in the specific instance and for the specific purpose stated in such writing. The failure of either Party to require the performance of any term of this Agreement or the waiver of either Party of any breach under this Agreement shall not operate or be construed as a waiver of any other provision hereof, nor shall it be construed as a waiver of any subsequent breach by the other Party hereto.

19. Shared Services

The District will invoice the Contractor for services and facilities provided by the District, on behalf of any other entity participating in this program (except the Yakama Nation which will be billed directly by the District) based on fish produced at the Priest Rapids Hatchery.

20. Physical Security

If any performance under this Contract is to be conducted on District facilities or worksites, it shall be the responsibility of the Contractor to ensure that its employees and those of its Subcontractors are informed of and abide by the District's Security Policies as if fully set out herein a copy of which shall be provided to the Contractor by the District Representative at the preconstruction meeting or prior to beginning work. Without limiting the foregoing, Contractor and its employees shall be required to:

- A. Keep all external gates and doors locked at all times and interior doors as directed.
- B. Visibly display ID badges on their person at all times.
- C. Stay out of unauthorized areas or in authorized areas outside of authorized work hours, without express authorization from the District.
- D. Provide proper notification to the appropriate parties, and sign in and out upon entry and exit to secured locations. If unsure of who to notify, Contractor shall contact the District Representative.

- E. Immediately notify the District if any of Contractor's employees no longer need access or have left the Contractor's employment.
- F. Immediately report any lost or missing access device to the District Representative. A minimum charge will be assessed to the Contractor in the amount of \$50.00 per badge and the fee for lost or non-returned keys may include the cost to re-key the plant facilities. The Contractor is strictly prohibited from making copies of keys.
- G. Not permit 'tailgating' through any controlled access point (i.e. person(s), authorized or unauthorized, following an authorized person through an entry point without individual use of their issued ID badge or key).
- H. Return all District property, including but not limited to keys and badges, to the District Representative when an individual's access to the facility is no longer needed.
- I. Guest Wireless: The District provides Guest Wireless Internet access to contractors and vendors that need to conduct business in support of the District from personally owned mobile devices such as laptops and smart phones. Contractor personnel are responsible for exercising good judgment regarding appropriate use of information, electronic devices, and network resources.

The Contractor and any Subcontractors shall comply with the safety requirements of these Contract Documents and all District policies pertaining to COVID-19 located at <https://www.grantpud.org/for-contractors>.

The District reserves the right to conduct or to require Contractor to conduct criminal background checks on its employee(s) before granting such individuals access to restricted areas of District facilities or Protected Information. Criminal background checks may be conducted in such depth as the District reasonably determines to be necessary or appropriate for the type of access to be granted. The cost of such background checks shall be borne by the Contractor.

21. Security, Safety Awareness Training, Dam Safety Awareness Training, and Transmission and Distribution Access Training

Prior to receiving access to any District facilities, all Contractors, Contractor's employees, subcontractors and subcontractor's employees, material suppliers and material supplier's employees, or any person who will be engaged in the work under this Contract that requires access to District facilities, shall be required to take and pass the District's Security and Safety Awareness training before being issued a security access badge to access District facilities. Under no circumstances will the failure of any Contractor or subcontractor employee to pass the required training, be grounds for any claim for delay or additional compensation.

The Safety and Security Awareness training is available online and is a 20-30 minute training. The training is located at: <https://www.grantpud.org/for-contractors>. All contractors and their employees are required to successfully complete Safety and Security Awareness training before coming onsite. The Security and Safety certificates should be emailed directly to SecurityTrainingCerts@gcpud.org.

District Representative shall ensure that Contractor's employees, subcontractor's and subcontractor's employees have completed and submitted the certificate of completion for the

training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted before any security access badges will be issued.

If applicable, Dam Safety Awareness Training is required for Contractors who are performing work in and around Priest Rapids and Wanapum Dams and are badged. The training is available online only and is a 20-30 minute training. Contractor shall ensure that its employees, Subcontractors and Subcontractor's employees have completed, passed and printed the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted to the District Representative before any security access badges will be issued.

If applicable, Transmission and Distribution Access Training is required for Contractors, or their Subcontractors, who may hold a clearance or hotline hold order as part of performance of work under this Contract. The training is available online only and is a 20-30 minute training. Contractor shall ensure that its employees, Subcontractors and Subcontractor's employees have completed, passed and printed the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted to the District Representative before any security access badges will be issued.

If you are uncertain which of the above courses you or your employees must complete, please contact your District Representative.

22. Contractor Safety Requirements

The following applies if Contractor, or any of its sub-consultants, subcontractors, or suppliers of any tier, performs any activities on premises owned, leased, possessed, or controlled by the District. The Contractor Safety Requirements shall be required when applicable as determined by the District Representative based upon the scope of work. To the extent applicable, the Contractor shall ensure that all workers, sub-consultants, subcontractors, and suppliers comply with these requirements. In fulfilling these requirements, the Contractor shall also comply with material and equipment manufacturer instructions, and safety and health requirements in accordance with WAC 296-126-094 and this Agreement where applicable. If there are conflicts between any of the requirements referenced in the Contract Documents, the more stringent requirement shall prevail.

A. General

Initial/Warning Notice: Any District employee may notify the Contractor of any safety or health concern. The notice may be delivered verbally to any Contractor employee or subcontractor and the District employee shall notify the District Representative of the Notice. Written notification may be provided to the Contractor at the discretion of the District Representative. The notice shall have the same effect on the Contractor regardless of format or recipient. The Contractor shall take immediate action to mitigate the safety and health concerns identified in the District's notice.

B. Stop Work Order: District employees also have the authority to immediately stop a work activity without issuing the Initial/Warning Notice. The District employee will immediately notify the District Representative of the Stop Work Order. The District Representative may direct the Contractor to stop work due to safety and health concerns. The Stop Work Order may cover all work on the Contract or only a portion of the work. After the District issues a Stop Work Order, the Contractor shall meet with District Representatives (as determined by the District Representative) to present a written statement outlining specific changes and/or measures the Contractor will make to work

procedures and/or conditions to improve safety and health. A Stop Work Order can be rescinded only with the written approval of the District Representative.

1. The Contractor shall not be entitled to any adjustment of the Contract price or schedule when the District stops a work activity due to safety and health concerns that occurred under the Contractor's, Subcontractor's, or supplier's control.
 2. The District's conduct does not alter or waive the Contractor's safety and health obligations.
 3. Contractor shall provide an onsite Safety Professional as directed by the District Representative based upon number and/or severity of identified safety infractions.
 4. Non-compliance with safety requirements could lead to termination of the contract in accordance with Section 17.
- C. The Contractor shall maintain an accurate record of, and shall immediately report to the District Representative all cases of near miss or recordable injury as defined by OSHA, damage to District or public property, or occupational diseases arising from, or incident to, performance of work under this Contract.
1. The record and report shall include where the incident occurred, the date of the incident, a brief description of what occurred, and a description of the preventative measures to be taken to avoid recurrence, any restitution or settlement made, and the status of these items. A written report shall be delivered to the District Representative within five business days of any such incident or occurrence.
 2. In the event of a serious incident, injury or fatality the immediate group shall stop work. The Contractor/subcontractor shall secure the scene from change until released by the authority having jurisdiction. The Contractor shall collect statements of the crew/witnesses as soon as practical. The District reserves the right to perform an incident investigation in parallel with the Contractor. The Contractor, subcontractor, and their workers shall fully cooperate with the District in this investigation.
 3. All cases of death, serious incidents, injuries or other incidents, as determined by the District Representative, shall be investigated by the Contractor to identify all causes and to recommend hazard control measures. A written report of the investigation shall be delivered to the District Representative within 30 calendar days of any such incident or occurrence.
 4. For situations that meet the reporting requirements of WAC 296-800, the Contractor shall self-report and notify the District Representative. The District Representative shall notify the District's Safety personnel.
- D. The Contractor/subcontractor shall conduct and document job briefings each morning with safety as an integral part of the briefing. The Contractor/Subcontractor shall provide an equivalent job briefing to personnel and/or visitors entering the job site after the original job briefing has been completed for work within their scope. Immediately upon request, the Contractor shall provide copies of the daily job briefing and any other safety meeting notes to the District Representative. The notes, at a minimum, shall include date, time, topics, and attendees and shall be retained by the Contractor for three years after completion of all work.

- E. Job Site Reviews Performed by the District: The Contractor Site Representative or other lead personnel, if requested by the District, shall be required to participate in District job briefs and/or District job site reviews that pertain to other work being performed that may impact the Contractor's work.
- F. Job Site Reviews Performed by Contractor: Each Contractor and Subcontractor shall perform and document regular safety reviews of their work area(s) by a competent person as defined by WAC 296-62-020. Immediately upon request, the Contractor shall provide a copy of the documented job site review to the District Representative. Contractor and Subcontractor supervisors/foremen shall take immediate action to correct violations, unsafe practices, and unsafe conditions. The Contractor and Subcontractor shall be solely responsible to review and monitor the work area or location of all their employees during the performance of work.
- G. Site Specific Safety Plan (SSSP): The Contractor shall prepare, implement, and enforce a SSSP for all work included in this Contract. The SSSP shall be delivered to and accepted by the District Representative prior to the start of any on-site work.
1. The SSSP shall, at a minimum, identify and provide mitigation measures for any recognized hazards or conditions. Site and adjacent conditions shall be considered. All significant hazards, including unusual or unique hazards or conditions specific to the Contract work shall be identified and mitigated. The Contractor shall provide a clear delegation of authority for the work site(s). The Contractor shall identify, locate, and provide direction to the nearest emergency medical facilities. This shall include telephone numbers for emergency services in the area.
 2. The Contractor shall make available to all workers at the site(s) the SSSP and ensure that all workers are familiar with the content and requirements of the SSSP. Any subcontractors shall adhere to the Contractor's SSSP.
 3. Any emergent hazards not identified in the SSSP shall require a Job Hazard Analysis prior to starting work on the associated job.
- In lieu of the SSSP, the District Representative may, at their discretion, accept an Accident Prevention Program implemented and maintained in accordance with Washington state law (WAC 296-155-110).
- H. District Rescue Team and Relation to Contractor Emergencies and Back Shift Operations When District Rescue Team is Not Present: Contractors shall be required to submit an Emergency Plan that covers first response and rescues. This is required to be submitted for approval by the District Representative prior to work starting. Contractors are encouraged to familiarize themselves with District First Responder and Rescue Team capabilities. District Response Teams may not be available during all work hours and typically are not available on off-shifts, weekends, and District holidays. Contractors choosing not to provide their own response personnel must include a process that does not rely on the District in the event District Response Teams are not available.
- I. The District reserves the right to request updated Contractor safety information at any time during the performance of this Contract. Such updated information will be provided on the attached Appendix "D", Contractor Safety Request for Information Form.

- J. Office Work: Contractor personnel who perform work in an office environment at premises owned, leased, possessed, or controlled by the District shall be required to follow at a minimum the following safety and security requirements. This work includes but is not limited to professional services and consulting, technology-related tasks, and training services. Work activities may include working at a desk, attending meetings, touring facilities, and similar activities.
1. Access: The Security Department administers physical access to District facilities. Contractor personnel shall be issued an ID badge or visitor badge to provide access to work areas as needed per Sections 20 and 21. Workers without authorized access to an area must be escorted at all times. Any person with authorized access may serve as an escort.
 2. Emergency Preparedness: All Contractor personnel, when entering a facility or work area, shall determine the locations of emergency exits, fire extinguishers, first aid kits, AED, and gathering points in case of evacuation.
 3. Housekeeping: Contractor personnel shall keep desks, cubicles, meeting rooms, and all other working areas free from clutter and tripping hazards. Work areas shall be cleaned after use according to applicable guidelines posted by the District in such work areas.

Specialized Work

- K. Requirements for Contractor Representative Attendance at Safety Meetings: The Contractor Site Representative or other lead personnel, if requested by the District, shall be required to attend the District monthly safety meeting. The above is a District requirement.
- L. Cord Covers to High Traffic Areas: Contractors shall be required to protect all electrical cords, air lines, hydraulic hoses, water hoses, and other cords, hose, cables, and pipes to prevent them from being driven over or creating tripping or other hazards including at a minimum but not limited to utilizing cord covers in high traffic areas and installing temporary barriers when necessary to prevent foot or vehicle traffic. The above is a District requirement.
- M. Involvement in Job Briefs by Others/Involvement of Others in Contractor's Job Briefs: When work completed by the Contractor will or may affect work being completed by other contractors or by District staff, the Contractor shall ask for a representative from the other contractor or District staff to participate in the Contractor's daily job brief for the purpose of informing the other party of safety hazards that may be encountered as a result of the affected work. Job brief discussion shall include hazards that the other contractor or District staff may encounter as part of the Contractor's work, mitigation measures, clearance points and boundaries, effects that equipment taken out of service or put back into service could have on other parties, Personal Protective Equipment (PPE) requirements and contingency plans. The above is a District requirement.
- N. Temporary Traffic Control: When work activities occur within or adjacent to District access roads, the Contractor shall follow the guidelines for Temporary Traffic Control Planning as specified in the current Manual on Uniform Traffic Control Devices. The plan

shall be reviewed and approved by the District Representative prior to implementation. The above is a Code requirement.

- O. Certifications or training of equipment operation: Contractor will obtain certifications or training prior to operating boats or other potentially hazardous types of equipment necessary for completion of the contracted work.
- P. Caution and Danger Barriers:
 - 1. Caution Tape or Rope - Yellow will be used to demarcate areas with low safety hazards. Contractor employees may enter the barricade area only after identifying the hazard enclosed by the Caution barrier tape/rope.
 - 2. Danger Tape or Rope – Red will be used to demarcate areas of imminent danger. An employee may not enter the area barricaded with Danger barrier tape/rope without consent of the barricade attendant or tape tag holder.

Contractors that will be introducing hazards as part of their work must barricade the hazardous area to prevent employees from entering the area in accordance with District Policy SA121200-POL. The above is a Code requirement.

Q. Safety Procedures

- 1. General
 - a. The Contractor shall be aware of the hazards when working in close proximity to electrical circuits and accordingly shall take all necessary precautions to prevent injury and loss of life of employees and damage to equipment and property. All hazardous areas and/or operations existing or created by the Contractor must be taken into account and the Contractor shall take whatever precautionary measures are required and assume all risks from damage claims that arise, due to Contractor's operations.
 - b. The Contractor shall take extra precautions to prevent nail puncture accidents by removing nails from scrap lumber, etc., at the worksite.
 - c. Under no circumstances will the Contractor use a pesticide that is not approved by the District.
 - d. All employees of the Contractor, Subcontractor or sub-supplier must strictly adhere to the District's "No Smoking" restrictions where imposed. Additionally, no smoking shall be allowed within a 50 foot radius of the transformers and the temporary oil storage tank, during oil processing, before, during, or after the mobilizing and demobilizing phases.
- 2. Electrical

Due to the District's concern for safety, the transformers shall be electrically grounded during all work performed by the District and the Contractor.
- 3. Fire

- a. The Contractor shall exercise all reasonable caution to prevent fires. Flammable rubbish, especially accumulations of paper, excelsior, and oil-soaked materials, shall be removed from the premises and disposed of as soon as possible. Gasoline, alcohol, oil, solvents, and other flammable substances shall be kept in approved safety containers. All protective covers, drop cloths, and tarpaulins are to be flameproof.
- b. The Contractor shall supply and keep adequate fire extinguishing equipment on hand at all times, and in close proximity to the equipment being worked on.

4. Personal Protective Equipment

- a. Contractor shall have on hand and supply its workers, Subcontractors and sub-suppliers with proper protective clothing as required by OSHA, WISHA, and/or other regulatory agencies. This protective clothing shall be worn at all times when working around the oil processing equipment and when work inside of the transformer is required.
- b. Contractor shall have on hand and supply its workers, Subcontractors and sub-suppliers with ear plugs. Ear plugs shall be worn at all times when working around the oil processing equipment and District marked/designated areas requiring ear protection.

5. Emergencies

If an emergency situation is created or observed by the Contractor at Wanapum or Priest Rapids dams or on Grant PUD land within approximately ½ mile proximity of either dam, the nearest dam control room shall be contacted immediately. For emergency situations occurring elsewhere and where injury has or may occur, 911 shall be called immediately. The District's Dispatch Center should be subsequently contacted for electric system emergencies. All other emergencies shall be routed to the District's Security Operations Center (DSOC).

To contact the Wanapum Control Room from:

- a. A District telephone, dial ext. 2518.
- b. An outside telephone line, dial 1-509-754-5088 ext. 2518.

To contact the Priest Rapids Control Room from:

- c. A District telephone, dial ext. 2718.
- d. An outside telephone line, dial 1-509-754-5088 ext. 2718.

The Wanapum and Priest Rapids control rooms are staffed 24 hours per day.

To contact the Dispatch Center from:

- e. A District telephone, dial ext. 2237 or 2238.

f. An outside telephone line, dial 1-800-216-5226.

The Dispatch Center is manned 24 hours per day.

To contact the District's Security Operations Center (DSOC):

g. A District telephone, dial ext. 2014.

h. An outside telephone line, dial 509-766-2538.

6. Security

The District's check-in/check-out procedure must be followed by the Contractor's employees and Subcontractor(s) whenever they are at the worksite. This procedure will be explained to the Contractor at the pre-work conference.

Hydroelectric Facility Work Requirements

R. Forebay/Tailrace – Boat Use: Prior to performing any work on the water within the Priest Rapids Project, the Contractor will notify the appropriate Control Room (Wanapum 509-754-5007 or Priest Rapids 509-754-5006) whichever is closer. The check in procedure shall include the caller's name, company, number of people on the boat, and location of the work. Once the work is complete and the Contractor is ready to leave the reservoir, he/she must again notify the appropriate Control Room and check out. The above is a District requirement.

S. Working Over Or Adjacent To Water: All work conducted over, near, or in water will require a Risk Assessment/Job Hazard Analysis to assess the need of a rescue boat. This analysis will be submitted as part of the Site-Specific Safety Plan.

T. Priest Rapids Dam Deck Restrictions and Access:

1. All Contractors working on the Priest Rapids powerhouse intake deck and/or the spillway bridge shall comply with Washington State Department of Transportation (WSDOT) publication "Work Zone Traffic Control Guidelines for Maintenance Operations" M 54-44. Personal protective wear shall comply with WSDOT publication "Safety Procedures and Guidelines Manual" M 75-01.

2. The Contractor may use the powerhouse intake and spillway bridge decks for access to the right (west) side of the dam upon coordination with the District and other contractors that may be working in the area. The Contractor will not be allowed to use either deck for staging or setup of equipment and cranes unless otherwise specifically arranged with the District.

3. Contractor shall not be entitled to any claims for delays or damages due to any of the deck blockage restrictions specified in these Contract Documents.

The above is a combination of Code and District requirements.

U. Wanapum Dam Deck Restrictions and Access:

1. All contractors working on the Wanapum powerhouse intake deck and/or the spillway bridge shall comply with Washington State Department of Transportation (WSDOT) publication "Work Zone Traffic Control Guidelines for Maintenance Operations" M 54-44. Personal protective wear shall comply with WSDOT publication "Safety Procedures and Guidelines Manual" M 75-01.

The above is a combination of Code and District requirements.

IN WITNESS WHEREOF, the Contractor and the District have executed this Agreement each by its proper respective officers and officials thereunto duly authorized the day and year first above written.

Public Utility District No. 2
of Grant County, Washington

Washington State Department of Fish and Wildlife

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX “A”
Statement of Work
2024-2027 Priest Rapids Hatchery Monitoring and Evaluation - Grant County
Public Utility District

Introduction

The Public Utility District No. 2 of Grant County (GCPUD) has guiding principles and approaches for the monitoring and evaluation (M&E) of all of its hatchery programs that are provided in an overarching M&E plan that encompasses all of its programs (Pearsons and Langshaw 2009, Hillman et al. 2013, Hillman et al. 2017; 2019). The first comprehensive sampling for Monitoring and Evaluation of Priest Rapids Hatchery fall Chinook salmon production began in the fall of 2010. Though the comprehensive M&E programs are relatively recent, the Washington Department of Fish & Wildlife (WDFW) has been conducting monitoring and evaluation of Up River Bright (URB) fall Chinook in the Hanford Reach dating back to the early 1980’s monitoring the sport fishery, hatchery returns, and escapement for run reconstruction which includes coded wire tag (CWT) returns. This implementation plan summarizes the Tasks and Objectives specified in the M&E Plan for GCPUD hatchery programs. The M&E Plan approach is also included in Section 11 of the Priest Rapids Hatchery (PRH) Hatchery and Genetic Management Plan (HGMP). Meeting the Objectives as well as accomplishing the Tasks listed in the M&E Plan requires the assemblage of data and analysis from numerous Programs. This implementation plan identifies all Tasks that must be accomplished to meet the M&E Objectives as well as the Agency responsible for funding, staffing, supervision, and data collection.

Project Coordination

WDFW M&E staff dedicated to PRH will work in conjunction with fish culture staff from PRH, the Columbia River Coded Wire Tag Recovery Program (CRCWTP), Region 3 Fish Management, the WDFW District 4 Fish Biologist, UCR Steelhead Monitoring and Evaluation, and the GCPUD Research Science team and the United States Army Corps of Engineers (USACE) to complete all tasks included in the M&E Plan. In addition, samples collected at PRH and in the field will be transported and analyzed by WDFW Labs including the WDFW Scale Reading Lab, and the WDFW Otolith Lab. PRH M&E staff will process all coded-wire tag samples. Data collection and analysis associated with the PRH M&E and Hanford Reach population monitoring is incorporated into the WDFW Traps, Weirs, and Spillways (TWS) data base for use in M&E analyses, forecasting and managing fall Chinook salmon. WDFW will secure and hold all environmental permits necessary for work that is described in this statement of work. Data collection design, review, analysis, and reporting will be completed as a combined effort between GCPUD and WDFW Biologist(s). The performance period of this implementation plan is from July 1, 2024 – June 30, 2027.

Objectives

The objective of the PRH M&E plan is to evaluate the performance of the PRH program relative to the goals and objectives of the PRH program. The overarching goal of the PRH program is to meet GPUD’s hatchery mitigation by producing fish for harvest while keeping genetic and ecological impacts within acceptable limits.

Objective 1: Determine if the PRH program has affected abundance and productivity of the Hanford Reach Population.

- Objective 2:** Determine if the run timing, spawn timing, and spawning distribution of both the natural and PRH components of the Hanford Reach population are similar.
- Objective 3:** Determine if genetic diversity, population structure, and effective population size have changed in natural spawning populations as a result of the PRH program. Additionally, determine if PRH programs have caused changes in phenotypic characteristics of the Hanford Reach population.
- Objective 4:** Determine if the PRH adult-to-adult survival (i.e., hatchery replacement rate) is greater than the Hanford Reach adult-to-adult survival (i.e., natural replacement rate) and equal to or greater than the program specific hatchery replacement rate (HRR) expected value based on survival rates listed in the BAMP (1998).
- Objective 5:** Determine if the stray rate of PRH fish is below the acceptable levels to maintain genetic variation between stocks.
- Objective 6:** Determine if PRH fish were released at the programmed size and number.
- Objective 7:** Determine if harvest opportunities have been provided using PRH returning adults.
- Objective 8:** Determine if the PRH has increased pathogen type and/or prevalence in the Hanford Reach population.
- Objective 9:** Determine if ecological interactions attributed to PRH fish affect the distribution, abundance, and/or size of non-target taxa of concern that were deemed to be at sufficient risk.

Methods

The PRH M&E plan is primarily organized in tables to facilitate review and provide clear direction for implementation. This plan was designed to be consistent with M&E plans that were designed and are currently being implemented by Chelan and Douglas Public Utility Districts. A variety of field methods will be used to collect the data necessary to achieve M&E objectives. Methods include redd surveys, carcass surveys, adult trapping, data collection at the hatchery during spawning, data collected at the hatchery during rearing, juvenile collection and tagging in the natural environment, disease monitoring, and NTTOC) monitoring in the natural environment, if identified as necessary in a risk assessment.

Tagging and marking will be an essential component of apportioning hatchery and natural origin production and stray rate. All of the hatchery origin fish will be marked prior to release from PRH. Two mass marking techniques have been proposed, otolith marking and adipose fin clipping. Currently, all hatchery origin fish will continue to be otolith marked. Otolith marking was initiated during brood year 2007.

WDFW and GPUD will refine subsample size estimates for submission of otolith samples to the WDFW Otolith Lab after the ages of the fish sampled have been determined by the WDFW Scale Lab (typically during the winter). The size of the subsamples by age and gender is based on number of samples collected and the relationship between sample size and deviation of the estimated variable from the cumulative estimate of a variable.

Passive Integrated Transponder (PIT) tag observations will be inventoried at the PIT-tag arrays located at Bonneville, McNary, Ice Harbor, and Priest Rapids dams and the PRH discharge channel.

The following Tasks are necessary to meet the Objectives of the M&E Plan (some of these tasks are funded wholly or in part by other organizations):

- Task 1.** PRH sampling of adult returns at the trap.
- Task 2.** PRH sampling of adult returns during spawning.
- Task 3.** Compilation of PRH origin URB fall Chinook salmon in the sport harvest including the Hanford Reach, Yakima River, Wanapum Tribal Fishery, ocean, and lower Columbia commercial and tribal harvest.
- Task 4.** Redd surveys in the lower Yakima River.
- Task 5.** Adult counts at dams and hatcheries.
- Task 6.** Carcass surveys in the Hanford Reach, Hatchery Discharge Channel, Priest Rapids Dam Pool, and Yakima River downstream of Prosser Dam.
- Task 7.** Pre-release sampling of juveniles at PRH
- Task 8.** Juvenile marking and tagging of the Hanford Reach natural population.
- Task 9.** Operation and evaluation of PIT tag detections at the PRH discharge channel and derived estimates from dams.

Task 1. Sampling Information, Methods, and Metrics for Data Collected at the Priest Rapids Hatchery Volunteer Trap (Hatchery Genetic Management Plan (HGMP), Attachment 5, Table 7)

Objectives: 1, 2, 3, 4, & 5

Frame: Population of fish collected at the PRH trap.

Sample Unit: Fish surplused. Fish transported from the trap and ponded for broodstock are included in Task 2.

Sample Size: Sample all Chinook salmon regardless of external marks or fin clips that are not used for broodstock to identify the presence of CWT. The sample rate for detailed biological data collection will be set in September after WDFW updates the run forecast for fall Chinook salmon returns to PRH to accommodate a sample goal of 1,000 fish surplused from the PRH volunteer trap.

Schedule: September 1 through December 15.

Methods: All Chinook salmon surplused or found as a mortality will be scanned for the presence of a CWT.

All in-sample Chinook salmon will be sampled for age (scale sample), gender, fork length and post orbital hypural plate (POHP) length. In-sample fish will also be sampled for origin by either the collection of CWT if present or otoliths. The CWT fish from the in-sample group will have their snout removed, bagged and labeled for processing at either the PRH wet lab or the WDFW Pasco office. Non-CWT fish will have their otoliths removed, placed in pre-labeled vials filled with a preservative, and cataloged for processing. Select otoliths will be sent to the WDFW Otolith Lab to determine if they are PRH origin.

The collection of scales from in-sample fish in conjunction with CWT recoveries is necessary to validate age reading and to provide a cross reference for data collections. To reduce the workload of processing “out-of-sample” CWT fish, scale samples will not be collected. These fish will still be sampled for gender, fork length, and the snout removed, bagged, and labeled for processing.

Data Collected: Scale (age), otolith (PRH origin), fork length, POHP length, gender, and CWT (origin).

Personnel and Equipment: A team of M&E technicians with oversight by a lead M&E technician and the M&E biologist, transport vehicles, and standard sampling gear. Staff will sample PRH returns from the volunteer trap. Staff will be responsible for biological sampling, data entry, and reading of CWT. These activities will occur at both the PRH wet lab and the WDFW Pasco office. The WDFW Otolith Lab will process otoliths to determine if they are PRH origin. The WDFW Scale Lab will read all scales to age including years in freshwater.

Task 2. Sampling Information, Methods, and Metrics for Data Collected at the Priest Rapids Hatchery during Holding and Spawning (HGMP, Attachment 5, Table 8)

Objectives: 1, 2, 3, 4, 5, & 8

Frame: Spawning population of PRH.

Sample Unit: PRH Broodstock.

Sample Size: Sample all Chinook salmon for CWT recovery. The sample rates (in-sample) for detailed biological data collection will be set in September after WDFW updates the run forecast for fall Chinook salmon returns to PRH to accommodate an in-sample goal of 1,000 ponded fish originating from the PRH volunteer trap. In-sample rates for other sources of broodstock (e.g., ABC fishery) will be set after the collection sizes are determined.

Schedule: October 21 through early December, two or more days per week.

Methods: All fish ponded, regardless of source will be scanned for the presence of CWTs after they are spawned, surplused, or found as a mortality. All in-sample Chinook salmon will be sampled for age (scale sample), gender, fork length and POHP length. In-sample fish will also be sampled for origin by either the collection of CWT if present or otoliths. The CWT fish from the in-sample group will have their snout removed, labeled, and bagged for processing at either the PRH wet lab or the WDFW Pasco office. Non-CWT fish will have their otoliths removed, placed in pre-labeled vials filled with a preservative, and cataloged for processing. Select otoliths will be sent to the WDFW Otolith Lab to determine if they are PRH origin.

The collection of scales from in-sample fish in conjunction with CWT recoveries is necessary to validate age reading and to provide a cross reference for data collections. To reduce the workload of processing out-of-sample CWT fish, scales will not be collected. These fish will only be sampled for gender, fork length, and the snout removed, bagged, and labeled for processing. Fecundity will be collected during sampling of spawned fish. Ovarian fluid will be drained from the egg takes of females sub-sampled for fecundity, eggs will then be weighed, and the requisite number of eggs based on 2013 sampling (e.g., 100 eggs) will be collected and weighed to estimate fecundity for the female. Scales, otoliths, and fork length will be collected for each female in the fecundity sample. Attempts will be made to measure fecundity on presumptive hatchery origin (collected from volunteer trap) and natural origin fish (collected from fish captured in the ABC fishery possessing no marks or tags such as an adipose clip or CWT). The goal will be to get 100 samples from each of the two origins (total 200) and to cover the full range of female size.

Data Collected: Scale (age), otolith (PRH origin), fecundity, egg weight, fork length, POHP length, gender, and CWT (origin).

Personnel and Equipment: Up to six WDFW M&E technicians with M&E Biologist oversight, transport vehicles, and standard sampling gear. The WDFW Otolith Lab will process otoliths to determine if they are PRH origin. The PRH M&E staff will process CWT samples to determine origin. The WDFW Scale Lab will read all scales to age including years in freshwater. The WDFW Fish Health Specialist will follow disease testing protocols established for WDFW hatcheries.

Task 3. Sampling Information, Methods & Metrics for Harvest Sampling (HGMP, Attachment 5, Table 9)

Objectives: 1, 2, 4, 5, & 7

Frame: Harvest of natural origin Hanford Reach fall Chinook salmon and fall Chinook salmon released from PRH (e.g., Wanapum Tribal Harvest, Yakima River Fall Chinook salmon Sport Harvest, Hanford Reach fall Chinook salmon sport harvest).

Sample Unit: All Chinook salmon observed during the Hanford Reach salmon fishery.

Task 3.1. Hanford Reach Sport Fishery, Phenotypic Metrics

Sample size: All Chinook salmon sampled are scanned for the presence of CWTs. A minimum of 350 Chinook salmon from the sport harvest will be sub-sampled at the appropriate rate (e.g., every 10th carcass) to determine origin and other phenotypic metrics; age, gender, and length at age.

Schedule: Daily from August 16 through October 31.

Methods: Staff will be stationed at primitive boat launches throughout the Hanford Reach including Vernita Bridge, Waluke, and Ringold. All anglers encountered will be interviewed to determine catch and estimate harvest. Harvested Chinook salmon from these anglers will be sampled to determine origin (CWT), age (scales), gender, and length. Methods are fully described in the WDFW Annual Report (Hoffarth, 2008).

Data Collected: Species harvested and released, location, number of boats, number of anglers, effort (angler hours and trailer index counts), catch per unit effort, harvest per unit effort, incidental catch. Biological data will include age (scale), fork length, gender, and origin (CWT).

Personnel and Equipment: WDFW will provide four creel staff for monitoring the sport harvest. Both the PRH M&E and RSH M&E projects will provide one additional creel staff for sport harvest monitoring. Staff start dates are staggered to match angler effort and reduce costs. Two WDFW staff start August 15, the M&E funded staff begin September 1, and a fifth staff member funded by WDFW begins September 15. The final WDFW staff member starts when the Hanford Reach opens for steelhead, typically October 1. All data collected during the sport fishery will be processed by WDFW staff. The WDFW District 4 Fish Biologist is responsible for analyzing the data, generating weekly harvest and ESA impact estimates, and evaluating if current harvest is within the harvest guidelines of the Hanford Reach Fall Chinook Harvest Management Plan. PRH M&E staff will process CWT samples to origin and age. The WDFW Scale Lab will read all scale to age including years in freshwater.

Task 3.2. *Yakima River Fall Salmon Sport Fishery*

Sample Size: All Chinook salmon observed in the harvest are scanned for the presence of a CWT and sampled for run reconstruction.

Schedule: Five days per week from September 1 through October 31.

Methods: Staff monitors bank and boat anglers from the Duportail Access Area upstream to Prosser. All anglers encountered will be interviewed to determine catch and estimate harvest. Harvested Chinook salmon from these anglers will be sampled to determine origin (CWT), age (scales), gender, and length. Methods are fully described in the WDFW Annual Report (Hoffarth, 2008).

Data Collected: Species harvested and released, numbers of boats, number of anglers (bank & boat), effort (angler hours), catch per unit effort, harvest per unit effort, incidental catch, scale (Chinook, coho, and steelhead), fork length, gender, and origin (CWT).

Personnel and Equipment: WDFW provides one technician for monitoring the sport. The WDFW District 4 Fish Biologist is responsible for entering all data, analyzing the data, and generating weekly harvest and ESA impact estimates. The PRH M&E staff will process CWT samples to origin and age. The WDFW Scale Lab will read all scale to age including years in freshwater.

Task 3.3. *Wanapum Tribal Fall Chinook Salmon Fishery*

Sample Size: All Chinook salmon harvested are sampled.

Schedule: September 1 through October 15.

Methods: All Chinook salmon and Coho harvested are sampled to determine origin (CWT), age (scales), gender, and length. All Chinook salmon and coho harvested will be scanned for the presence of a CWT. All snouts with a positive signal will be transported to the WDFW District 4 Office for processing. Methods are fully described in the WDFW Procedures for Sampling the Wanapum Fishery (Hoffarth, 2009).

Data Collected: Species harvested, incidental catch, number of nets, mesh size, age (scale), fork length, gender, and origin (CWT).

Personnel and Equipment: GCPUD Cultural staff will sample the fishery and provide the data and samples to the WDFW District 4 Fish Biologist. The WDFW District 4 Fish Biologist enter all data from the fishery. The PRH M&E staff will process CWT samples to origin and age. The WDFW Scale Lab will read all scale to age including years in freshwater.

Task 4. *Sampling Information, Methods, and Metrics for Redd Surveys (HGMP, Attachment 5, Table 4)*

Objectives: 1 & 4

Frame: Redds in the lower Yakima River.

Sample Unit: Visible redds located in the Yakima River below Prosser (Rkm 13 – 74). Sample unit is partitioned into four reaches:

- 1 – Chandler Powerplant to Prosser Dam
- 2 – Benton City Boat Launch to Chandler Dam
- 3 – Horn Rapids Park to Benton City Boat Launch

4 – Duportail St. Boat Launch to Snively Rd. Boat Launch

Sample size: Total count of visible redds.

Schedule: Weekly between October 21 and November 30.

Methods: Foot and boat surveys will be conducted as generally described by Gallagher et al. (2007) and Murdoch et al. (2008). Redds will be identified based upon their relatively clean substrate and a bowl and tail spill morphology. All four reaches of river surveyed weekly by boat (cataraft).

Data Collected: Counts of redds and live fish by reach.

Personnel and Equipment: Two WDFW staff persons funded by CRCWTRP, cataraft, two tow vehicles, and standard sampling gear.

Task 5. Sampling Information, Methods, and Metrics for Adult Counts at Dams and Hatcheries

Objectives: 1, 2, 3, 4

Frame: Fall Chinook salmon in the Hanford Reach.

Sample Unit: Fall Chinook salmon counted at dams or weirs (McNary, Priest Rapids, Ice Harbor, Prosser, PRH trap, Ringold Hatchery trap).

Sample Size: Total count or subsample.

Schedule: Daily from August 9 through November 15.

Methods: Dam counts using observers or video as generally described by Wagner (2007). All returns to hatchery volunteer traps will be enumerated prior to removal from the hatchery.

Data Collected: Fall Chinook salmon are recorded into two categories based on fork length, adults and jacks. Adults are all Chinook salmon greater than 22 inches in total length.

Personnel and equipment: Counts of salmonid returns to PRH and Ringold Springs Hatchery (RSH) volunteer traps will be provided by M&E Staff. Adult salmonid passage counts at dams are provided by the United States Army Corp of Engineers (USACE), Yakama/Klickitat Fisheries Project (YKFP), and GCPUD.

Notes for Task 5.

Adult Chinook Salmon Counts at Mainstem Hydroelectric and Diversion Projects. Fish counts at mainstem Projects including the Columbia, Snake, and Yakima Rivers necessary to meet PRH M&E objectives are funded by non-related programs by GCPUD, WDFW, the USACE, and the Yakama Indian Nation. These data are readily available on the internet and will be downloaded at frequent intervals by the WDFW District 4 Fish Biologist.

Adult Chinook Salmon Counts at Priest Rapids Hatchery. Hatchery returns to Priest Rapids are

enumerated by hatchery staff in coordination with M&E staff.

Adult Chinook Salmon Counts at Ringold Springs Hatchery. Hatchery returns to Ringold Springs Hatchery are enumerated by hatchery staff in coordination with the Ringold Springs Hatchery M&E Program.

Task 6. Sampling Information, Methods, and Metrics for Carcass Surveys in the Natural Environment (HGMP, Attachment 5, Table 6)

Objectives: 1, 2, 3, 4, & 5

Frame: Hanford Reach, Hatchery Discharge Channel, Priest Rapids Pool, and Yakima River

Task 6.1. Hanford Reach Stream Surveys

Sample Unit: Salmon carcasses partitioned by reach; five river reaches have been established in the Hanford Reach:

- 1 - Vernita Bridge to Priest Rapids Dam
- 2 - Island #2 to Vernita Bridge
- 3 - Wooden Powerline Towers to Island #2
- 4 - Wooded Island to Wooden Powerline Towers
- 5 - Richland to Wooded Island

Carcasses recovered in the Columbia River immediately downstream of the PRH discharge channel will be included with those Chinook salmon recovered in the discharge channel but will be tracked separately should additional analysis of these fish be necessary.

Sample Size: All carcasses observed in the surveys will be sampled for the presence of a CWT. Approximately 2,500 carcasses will be sampled in the Hanford Reach for origin based on CWT and otoliths. These sampled fish will be used to determine other phenotypic metrics; age, gender, fork length, egg retention, in addition to the determination of origin.

Schedule: October 27 through December 12.

Methods: All carcasses that are encountered will be collected with a gaff or by hand. Surveys will occur by boat or foot. Methods will generally follow Crawford et al. (2007), Murdoch et al. (2008); and Hoffarth et al. (2008). All Chinook salmon will be wanded for the presence of a CWT. All Chinook salmon with a CWT present will be sampled for age (scale sample), gender, fork length, and the snout will be bagged and labeled for processing by M&E staff at the PRH wet lab or WDFW Pasco office. Otoliths will be collected from in-sample fish, placed in a vial, and stored with an appropriate index number. Otoliths will be sent to the WDFW Otolith Lab for decoding to determine if they are PRH origin. Chinook salmon sub-sampled for run reconstruction will be sampled for age (scale samples), gender, fork length, and spawning success. Fish will be identified to gender based on morphology. Female Chinook salmon in the sub-sample will be dissected to determine spawn success based on the percentage of egg retention (e.g., 0.0-10%, 11-37%, 38-62%, 63-87%, 88-100%). The percent of egg retention will be first visually estimated and then calculated by dividing the count of eggs retained by an estimated fecundity based on length versus fecundity regressions. In addition, retained eggs will be quantified by counting in the field or bagged and later estimated in the office. Carcasses will be cut in half to avoid duplicate sampling in future surveys.

Data Collected: Scale (age), otolith (PRH origin), fork length, gender, spawn success, CWT (origin), location.

Personnel and Equipment: Three boat crews with a three-person crew operating seven days per week. PRH M&E staff, RSH M&E staff, and WDFW staff to perform field sampling, collect CWTs and otoliths, and enter data into the data base. This will require a total of 13 (three WDFW staff, three RSH M&E staff, and seven PRH M&E staff), three boats, three vehicles and standard sampling equipment. The WDFW Otolith Lab will process otoliths to determine if they are PRH origin. The PRH M&E staff will process CWT samples to origin and age. The WDFW Scale Lab will read all scale to age including years in freshwater.

Task 6.2. Priest Rapids Hatchery Discharge Channel Stream Surveys

Sample Unit: PRH Discharge Channel, approximately one-quarter mile in length from the Columbia River to the PRH trap.

Sample Size: Sample all carcasses recovered in the survey for CWT. In addition, carcasses will be sub-sampled at the same rate as Chinook salmon in the Hanford Reach stream survey listed above to determine other demographic; age, gender, length, spawn success (including counts of retained eggs).

Schedule: October 25 through December 8.

Methods: All carcasses that are encountered will be collected with a gaff or by hand. Surveys will occur by foot. Methods will generally follow Crawford et al. (2007), Murdoch et al. (2008); and Hoffarth et al. (2008). All fish will be wanded for the presence of CWT.

All Chinook salmon with a CWT present will be sampled for age (scale sample), gender, fork length, and the snout will be bagged and labeled for processing at the WDFW CWT Lab. Chinook salmon sub-sampled for run reconstruction will be sampled for age (scale samples), gender, fork length, CWT, otoliths, and spawning success. Otoliths will be collected at the same sample rate as Hanford Reach natural origin otolith collections. Otoliths will be sent to the WDFW Otolith Lab for decoding to determine if they are PRH origin. Fish will be identified to gender based on morphology. Female Chinook salmon in the sub-sample will be dissected to determine spawn success based on the percentage of egg retention (i.e., 0.0-10%, 11-37%, 38-62%, 63-87%, 88-100%). The percent of egg retention will be first visually estimated and then calculated by dividing the count of eggs retained by an estimated fecundity based on length versus fecundity regressions. In addition, retained eggs will be quantified by counting in the field or bagged and later estimated in the office. Carcasses will be cut in half to avoid duplicate sampling in future surveys.

Data Collected: Scale (age), otolith (PRH origin), fork length, gender, spawn success, CWT (origin), otoliths (origin) and location.

Personnel and Equipment: Two PRH M&E staff and standard sampling equipment.

Task 6.3. Priest Rapids Pool Stream Surveys

Sample Unit: Priest Rapids Dam upstream to Wanapum Dam.

Sample Size: All Chinook salmon recovered in the survey will be sampled for a CWT. The in-sample rate for biological data collection will be set on October 31 based on escapement size.

Schedule: November 1 through December 12, two days per week.

Methods: All carcasses that are encountered will be collected with a gaff or by hand. Surveys will occur by boat and foot. All Chinook salmon will be wanded for the presence of a CWT. Chinook salmon with a

CWT present will be sampled for age (scale sample), gender, fork length, and the snout will be bagged and labeled for processing at the PRH wet lab or WDFW Pasco Office. Biological data collected from in-sample collections will include scale samples (age), gender, fork length, CWT or otoliths, and spawning success. Fish will be identified to gender based on morphology. Otoliths will be collected, placed in a vial, and stored with an appropriate index number. Otoliths will be sent to the WDFW Otolith Lab for decoding to determine if they are PRH origin. Female Chinook salmon in the sub-sample will be dissected to determine spawn success based on the percentage of egg retention (i.e., 0.0-10%, 11-37%, 38-62%, 63-87%, 88-100%). The percent of egg retention will be first visually estimated and then calculated by dividing the count of eggs retained by an estimated fecundity based on length versus fecundity regressions. In addition, retained eggs will be quantified by counting in the field or bagged and later estimated in the office. Carcasses will be cut in half to avoid duplicate sampling in future surveys.

Data Collected: Scale (age), otolith (PRH origin), fork length, gender, spawn success, CWT (origin), location.

Personnel and Equipment: Two field staff dedicated to the Hanford Reach stream surveys will accomplish this task as a component of the scope of work for technicians assigned to M&E for the natural environment funded by GCPUD and USACE (Listed in this Task above).

Task 6.4. *Yakima River Stream Surveys*

Sample Unit: Yakima River downstream of Prosser Dam. Sample unit is partitioned into four reaches:

- 1 – Chandler Powerplant to Prosser Dam
- 2 – Benton City Boat Launch to Chandler Dam
- 3 – Horn Rapids Park to Benton City Boat Launch
- 4 – Duportail St. Boat Launch to Snively Rd. Boat Launch

Sample Size: All Chinook salmon recovered in the survey will be sampled for CWT. The in-sample rate for biological data collection will be set on October 15 based on escapement size.

Schedule: October 21 through November 30, all four sections of river completed weekly, one section per day, boat survey (cataraft).

Methods: All carcasses that are encountered will be collected with a gaff or by hand. Surveys will occur by boat. Methods will generally follow Crawford et al. (2007), Murdoch et al. (2008); and Hoffarth et al. (2008). All Chinook salmon will be wanded for the presence of CWTs. Chinook salmon with a CWT present will be sampled for age (scale sample), gender, fork length, and the snout will be bagged and labeled for processing at the PRH wet lab or Pasco Office. Chinook salmon sub-sampled for run reconstruction will be sampled for age (scale samples), gender, fork length, and spawning success. Fish will be identified to gender based on morphology. Female Chinook salmon in the sub-sample will be dissected to determine spawn success based on the percentage of egg retention (e.g., 0.0-10%, 11-37%, 38-62%, 63-87%, 88-100%). The percent of egg retention will be first visually estimated and then calculated by dividing the count of eggs retained by an estimated fecundity based on length versus fecundity regressions. In addition, retained eggs will be quantified by counting in the field or bagged and later estimated in the office. Carcasses will be cut in half to avoid duplicate sampling in future surveys.

Data Collected: Scale (age), fork length, gender, spawn success, CWT (origin), location.

Personnel and Equipment: One boat (cataraft) with a two person crew funded by Columbia River Coded-Wire Tag Regional Program (CRCWTRP) standard sampling equipment (funded by CRCWTRP).

Task 7. Sampling Information, Methods, and Metrics for Data Collected to Monitor Fish Culture of Juveniles

Objectives: 6 & 8

Frame: Abundance, size, adipose clip rate, CWT rate, rate of precociousness, and disease occurrence of smolts at PRH at the time of release.

Task 7.1. Abundance and Size at Release

Sample Unit: Juveniles prior to release from PRH

Sample Size: Approximately 300 fish from each rearing vessel (five total) to determine size metrics.

Schedule: Prior to release in late May and mid-June.

Methods: Estimate abundance each life stage: egg, transfer to raceways, transfer to ponds, and release. Estimates of abundance will be generated by subtracting mortalities at subsequent life stages from estimates of green eggs. Use cast net to collect juveniles for each of the final rearing ponds (five total). Size and length data will be collected calculate CVs for both matrixes. Each fish will be weighed (grams) and measured to fork length (millimeters).

Data Collected: Abundance, fish per pound, length of individual fish, and weight of individual fish.

Personnel and Equipment: Two PRH M&E staff, cast nets, fish transport tank, holding vessels, scale, measuring board, and tally counter.

Task 7.2. Determination of adipose clip rate and CWT rate

Sample Unit: Juveniles prior to release from PRH.

Sample Size: Approximately 1,000 fish from each final rearing vessel (five total) to determine mark and tag rates.

Schedule: Prior to release in late May and mid-June.

Methods: Use cast net to collect juveniles from each final rearing pond. Estimate the proportions of juveniles that fall into one of four categories: (not adipose clipped and not CWT tagged), (adipose clipped and not CWT tagged) (not adipose clipped but possess CWT) and (adipose clipped and possess CWT). Estimates of these proportions by category will be obtained by visually inspecting individual fish for the presence or absence of an adipose fin and scanning it for a CWT using a V-detector (NW Marine Tech).

Data Collected: Adipose mark rate and CWT rates for each final rearing pond

Personnel and Equipment: Two PRH M&E staff, cast nets, fish transport tank, holding vessels, CWT V-detector, tally counter.

Tasks 7.3. Rate of precociousness

Sample Unit: Juveniles prior to release from PRH

Sample Size: Approximately 300 fish from each final rearing vessel (five total) to determine presence and absence of precocious juveniles.

Schedule: Prior to release in late May and mid-June.

Methods: Use cast net to collect juveniles from each final rearing pond. Estimate the presences of precocious of juveniles for each pond by non-lethal visual inspection of each juvenile for the presence of milt.

Data Collected: Number of precocious juveniles within the sample for each final rearing pond.

Personnel and Equipment: Two PRH M&E staff, cast nets, fish transport tank, holding vessels, and tally counter.

Tasks 7.4. *Monitoring of diseases outbreaks*

Sample Unit: Specific life stages of fall Chinook Salmon at PRH.

Sample Size: Variable

Schedule: September through late-June.

Methods: Summarize reports provided by WDFW Fish Health staff for inclusion into the annual M&E report.

Data Collected: Number of fish sampled and occurrence of diseases

Personnel and Equipment: One PRH M&E staff for reporting.

Task 8. *Sampling Information, Methods, and Metrics to Monitor Natural Origin Juvenile Fish Abundance and Size*

Objective(s): 1

Frame: Naturally produced juveniles in the Hanford Reach.

Sample Unit: All Chinook salmon collected by beach seine in the Hanford Reach during the CWT tagging program.

Sample Size: Appropriate samples will be taken from both the marked and unmarked Chinook salmon.

Schedule: Late May to Early June (typically 10 day marking program).

Methods: Chinook salmon collected during the CWT marking program will be routinely sampled by length. Mark groups and tag codes will be enumerated. Goal of the marking program is to tag and adipose clip 200,000 of the natural production of fall Chinook salmon in the Hanford Reach.

Data Collected: Total numbers of Chinook salmon collected size at marking, mark numbers.

Personnel and Equipment: CWT trailer, technicians, supervision by both Columbia River Intertribal Fish Commission (CRITFC) and WDFW, collection is conducted by the Yakama Indian Nation, Umatilla Indian Nation, and CRITFC. This project is funded by the Bonneville Power Administration.

Task 9. Operation and Data Analysis of PIT tag Detections at the Priest Rapids Hatchery Discharge Channel

Frame: PRH Juvenile Releases and Adult Returns.

Sample Size: Up to 43,500 PIT juvenile fall Chinook salmon released from PRH. The number and origin of adult returns likely to be detected at the array is unknown.

Schedule: May 10 to December 15.

Methods: The PIT-tag antennae arrays provide PIT tag detection of juveniles at release as well as returning adults. The PRH M&E staff will monitor PIT detections and analyze results to determine the abundance of both juvenile and adult PRH fall Chinook salmon, travel time and speed of juvenile fish, re-ascension of mini-jacks, and identification of non-PRH origin fish. PIT tag detections will be compared against adult detections at hydroelectric projects in the Columbia and Snake rivers to estimate interdam loss, smolt to adult survival to the hatchery, juvenile downstream survival, as well as adult re-ascension and re-ascension rates at McNary, Ice Harbor and Priest Rapids dams. WDFW maintenance crews will conduct routine maintenance of the PIT tag arrays as needed. An in-depth inspection of the arrays will occur during May prior to the hatchery release of juvenile Chinook salmon and again during late August for preparation for the adult Chinook salmon return.

The volitional releases of juveniles from rearing ponds needs to be staggered by several days or the PIT-tag antennae array system will be overwhelmed by the high numbers of out-migrants and the data lost. The juvenile release strategy will be coordinated with hatchery staff.

Data Collected: Total numbers and timing of Chinook salmon PIT detections collected.

Personnel and Equipment: The PRH M&E staff.

Expected Results and Applicability

Data collected from the 2024 - 2027 return will be reviewed to determine if URB fall Chinook salmon production from PRH met all of the Objectives/Goals of the M&E Plan. For years 2024 - 2027, all PRH brood year returns will possess an otolith mark which will allow for determination of pNOB, pHOS, and PNI at a high level of confidence.

Data Compilation and Analysis

Data will be maintained at the WDFW District office in Pasco and backed up on the WDFW Network (S:drive) and a dedicated thumb drive. The data is backed up weekly during the field season and each day the database is proofed. Data will be routinely entered into an Access or Excel data base in-season. The TWS Access database is the primary means of organizing and storing biological data. Some data associated with carcass recovery is entered into Excel spreadsheets. Age, CWT, and otolith information will be entered into the data base when it returns from the WDFW Labs. Scale cards are the primary means of recording data in the field. The scale cards will be proofed for obvious errors by staff at the end of each field day and again prior to entering data into the TWS which occurs routinely September through December. Staff will proof the data entered into the TWS mid-December and again in early January as scale age and CWT results becomes available. The otolith data is entered into the TWS and proofed as results become available generally in March and April. Proofing the TWS generally requires two staff; one to read aloud the data

on scale cards and data sheets while another verifies the data in the TWS.

The Historical data as well as current data will be incorporated into the analysis and reporting for the PRH M&E Program. Historical data will be mined and presented to the maximum extent possible so that the longest data set can be evaluated. This will include mining data from other WDFW sources and from Battelle.

Summary of New Activities and Project Timelines.

Brief descriptions of alterations to existing Tasks or new tasks associated with PRH M&E during 2024-2027 are given in Table 1. Project timelines for field work, data entry, and reporting are given in Table 2.

Table 1. New activities for Priest Rapids Monitoring and Evaluation for July 1, 2024 - June 30, 2027

Activity	Associated Task
None	

Table 2. Project timelines for data entry, analysis, and reporting July 1, 2024 - June 30, 2027

Activity	Dates
Priest Rapids Hatchery	
Trapping, Broodstock Collection, and Surplus Operations	September 1 – December 15
Spawning	October 21 – December 10
Hatchery Discharge Channel Stream Surveys	October 15 – December 8
PIT tag Array Maintenance and Evaluation	July 1 – June 30
Hanford Reach	
Hanford Reach Fall Chinook salmon Fishery	August 1 – October 31
Hanford Reach Stream Survey	November 1 – December 12
Priest Rapids Pool	
Priest Pool Stream Surveys	November 1 – December 12
Yakima River downstream of Prosser Dam	
Yakima stream surveys for redds and carcasses	October 22 – November 30
Data Entry & Analysis	
Data Entry Return Year	September 1 – March 31
Data Review and Analysis	January 1 – June 30
Reporting	
Draft Monitoring and Evaluation Report	May 15
Final Monitoring and Evaluation Report	June 30
Monthly reports during the field season	Due by the 10th of each month

Summary of Sample Sizes

Sample size of each Task associated with PRH M&E during the performance period is given in Table 3.

Table 3. Sample size goals by Task. The sample size for otolith decoding will be determined after the age distribution data is available.

Task	Sample Size
Task 1. Priest Rapids Hatchery sampling of adult returns at the	100% for CWT, 1,000 for other

trap	
Task 2. Priest Rapids Hatchery sampling of adult returns during spawning	100% for CWT, 1,000 for other
Task 3. Compilation of Priest Rapids Hatchery origin URB fall Chinook salmon in the sport harvest including the Hanford Reach, Yakima River, Wanapum Tribal Fishery, ocean, and lower Columbia commercial and tribal harvest	All Encountered
<i>Task 3.1</i> Hanford Reach Sport Fishery, Phenotypic Metrics	350
<i>Task 3.2.</i> Yakima River Fall Salmon Sport Fishery	All Encountered
<i>Task 3.3</i> Wanapum Tribal Fall Chinook Salmon Fishery	All Encountered
Task 4. Yakima River Redd Surveys (Rkm 13 – 74)	All Observed
Task 5. Adult counts at dams and hatcheries	
<i>Task 5.1. Adult Chinook Salmon Counts at Mainstem Hydroelectric and Diversion Projects</i>	All Returns
<i>Task 5.2 Adult Chinook Salmon Counts at Priest Rapids Hatchery</i>	All Returns
<i>Task 5.3. Adult Chinook Salmon Counts at Ringold Springs Hatchery</i>	All Returns
Task 6. Carcass surveys in the Hanford Reach, Hatchery Discharge Channel, and Yakima River	
<i>Task 6.1. Hanford Reach Stream Surveys</i>	100% for CWT, 2,500 for other demographic data.
<i>Task 6.2. Hatchery Discharge Channel Stream Surveys</i>	All Encountered
<i>Task 6.3. Priest Rapids Pool Stream Surveys</i>	All Encountered
<i>Task 6.4. Yakima River Stream Surveys</i>	All Encountered
Task 7. Sample Information, Methods, and Metrics for data collected to monitor fish culture of Juveniles	1,500 (300 x 5 Ponds) juveniles individually weighed and measured, and rate of precocious fish; 5,000 (1,000 x 5 ponds) juveniles for CWT tag rate, adipose clip rate
Task 8. Juvenile marking and tagging of the Hanford Reach natural population	200,000 natural origin juvenile fall Chinook
Task 9. Operation and evaluation of PIT tag detections at the Priest Rapids Hatchery discharge channel and derived estimates from dam observations.	43,000 PIT Juvenile Release All PIT Adult Returns

Budget

The GCPUD portion of total budget for performing work outlined in this SOW is \$1,295,801.00. The budget details are given in Table 4.

Table 4, Statement of Work budget for Priest Rapids Hatchery M&E, July 1, 2024 - June 30, 2027

Position	Pos #	Staff Months	FY24-25 GPUD Costs	FY25-26 GPUD Costs	FY26-27 GPUD Costs		
Research Scientist 2	0	Admin and Reporting	0.8	\$5,163	\$5,318	\$5,478	
F&W Biologist 3	0	Task 1 - 12: Supervision/Reporting	8.0	\$43,771	\$45,084	\$46,437	
Sci Technician 3	1	Tasks 1 - 2: Spawn/Surplus/Data Entry (Lead Tech)	7.0	\$32,579	\$33,557	\$34,563	
Sci Technician 2	2	Task 1-2: Surplus/Spawn/CWT Proc	2.9	\$11,071	\$11,404	\$11,746	
Sci Technician 2	3	Task 1-2: Surplus/Spawn/CWT Proc	2.9	\$11,071	\$11,404	\$11,746	
Sci Technician 2	4	Task 1-2: Surplus/Spawn/CWT Proc	2.9	\$11,071	\$11,404	\$11,746	
Sci Technician 2	5	Task 1-2: Surplus/Spawn/CWT Proc	3.5	\$13,363	\$13,763	\$14,176	
Sci Technician 2	6	Task 1-2: Surplus/Spawn/CWT Proc	3.5	\$13,363	\$13,763	\$14,176	
Totals			31.5	\$141,452	\$145,697	\$150,068	
Sci Technician 2	11	Tasks 3 HR Creel	2.0	\$13,060	\$13,452	\$13,855	
Totals			2.0	\$13,060	\$13,452	\$13,855	
Biologist 2	12	Tasks 6: HR Carcass (Lead)	0.7	\$3,555	\$5,871	\$6,047	
Sci Technician 2 ^a	13	Tasks 6: HR Carcass (previously Creel)	1.6	\$10,448	\$10,761	\$11,084	
Sci Technician 2 ^a	14	Tasks 6: HR Carcass	1.6	\$10,448	\$10,761	\$11,084	
Sci Technician 2 ^a	15	Tasks 6: HR Carcass	1.6	\$10,448	\$10,761	\$11,084	
Sci Technician 2 ^a	16	Tasks 6: HR Carcass	1.6	\$10,448	\$10,761	\$11,084	
Sci Technician 2 ^a	17	Tasks 6: HR Carcass	1.6	\$10,448	\$10,761	\$11,084	
Sci Technician 2 ^a	18	Tasks 6: HR Carcass	1.6	\$10,448	\$10,761	\$11,084	
Sci Technician 2 ^a	19	Tasks 6: HR Carcass	1.6	\$10,448	\$10,761	\$11,084	
Totals			11.9	\$76,691	\$81,201	\$83,637	
^a Staff and Goods&Services provided by GPUD perform Creel and Carcass Surveys			Totals for FTE, Wages, and Benefits	45.4	\$231,203	\$240,350	\$247,560
Supplies & Equipment							
Office Fees		Includes utilities and supplies	Note: Lease for offices and computer are covered by indirect	\$125	\$128	\$128	
Equipment Maintenance		Repair and maintenance of equipment used by PRH M&E staff		\$312	\$321	\$321	
M&E Staff Gear		6 staff at \$310 each for waders or boots, and fresh rainwear		\$1,160	\$1,195	\$1,231	
Creel and Carcass Staff Gear ^a		7 staff at \$310 each for waders or boots, and fresh rainwear		\$2,170	\$2,235	\$2,302	
M&E Sampling Gear		Knives, gloves, cleaning products, pencils, tweezers, tape		\$561	\$578	\$595	
Creel and Carcass Sampling Gear		Knives, gloves, cleaning products, pencils, tweezers, tape		\$300	\$309	\$318	
M&E Vehicles Lease		Multiple rigs: Months Vary		\$6,285	\$6,473	\$6,667	
Creel Vehicle Lease ^a		2 Months		\$2,009	\$2,069	\$2,131	
Boat for Stream Survey ^a		\$200 per day boat lease for 40 days		\$8,000	\$8,000	\$8,000	
Carcass Vehicle Lease ^a		2 months		\$2,018	\$2,079	\$2,141	
WDFW Lab Fees							
Scale Processing		\$2/sample for 1,100 surplus and 1,000 spawn samples at PRH		\$2,619	\$2,619	\$2,619	
		\$2/sample for 415 carcass and 200 sport harvest in Hanford Reach ^a		\$1,230	\$1,230	\$1,230	
		\$2/sample for 200 ABC spawn ^a		\$400	\$400	\$400	
Otolith Processing		\$13.75/sample for 3,650 samples ^a		\$50,188	\$50,188	\$50,188	
(1000 trap, 1000 Vol spawn, 200 ABC, 100 Fecundity, and 1,250 Hanford Reach carcass, 100 Priest Rapids Pool carcass)							
Total of Goods and Services				\$77,377	\$77,823	\$78,271	
			Direct Costs	\$308,580	\$318,173	\$325,832	
Indirect			36.03%	Indirect Costs	\$111,181	\$114,638	\$117,397
				Total of Costs	\$419,761	\$432,811	\$443,229
Line items are descriptions of activities but not limited to the activities described				Grand Total Costs	\$1,295,801		

References

- Hillman, T., T. Kahler, G. Mackey, J. Murauskas, A. Murdoch, K. Murdoch, T. Pearsons, and M. Tonseth. 2013. Monitoring and evaluation plan for PUD hatchery programs. Chelan PUD, Wenatchee, Washington.
- Hillman, T., T. Kahler, G. Mackey, A. Murdoch, K. Murdoch, T. Pearsons, M. Tonseth, and C. Willard. 2017. Monitoring and evaluation plan for PUD hatchery programs: 2017 update. Report to the HCP and PRCC Hatchery Committees, Wenatchee and Ephrata, WA.
- Hillman, T., T. Kahler, G. Mackey, Andrew Murdoch, K. Murdoch, T. Pearsons, M. Tonseth, and C. Willard. 2019. Monitoring and evaluation plan for PUD hatchery programs: 2019 update. Report to the HCP and PRCC Hatchery Committees, Wenatchee and Ephrata, WA.
- Hoffarth, P.A. 2007. 2006 District Fish Management Annual Report. Annual Report to Washington Department of Fish and Wildlife, Region 3 Yakima.
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- Grant County Public Utility District. 2009. Hatchery and Genetic Management Plan. Wenatchee Component of the Upper Columbia River Summer Chinook Program – Priest Rapids Project Mitigation. Grant County Public Utility District, Ephrata, Washington.
- Pearsons, T. N., and R. B. Langshaw. 2009. Monitoring and evaluation plan for Grant PUDs salmon and steelhead supplementation programs. Grant County Public Utility District, Ephrata, Washington.
- Pearsons, T. N., and R. B. Langshaw. 2009. Priest Rapids Hatchery Fall Chinook Salmon monitoring and evaluation plan. Grant County Public Utility District, Ephrata, Washington.
- Wagner, P.G., 2007. Fish counting at large hydroelectric projects. Pp 173-195 in Johnson, D.H., B.M. Shrier, J.S. O'Neal, J.A. Knutzen, X. Augerot, T.A. O'Neil, I.G. Cowx. 2005. Salmonid Field Protocols handbook: techniques for assessing status and trends in salmon and trout populations. American Fisheries Society, Bethesda, Maryland.

APPENDIX "B"
CHANGE ORDER
NO. __

Pursuant to Section 5, the following changes are hereby incorporated into this Contract:

- A. Description of Change:

- B. Time of Completion: The revised completion date shall be _____.
OR
The completion date shall remain _____.

- C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall remain unchanged (be increased/decreased by the sum of \$_____ plus applicable sales tax). This Change Order shall not provide any basis for any other payments to or claims by the Contractor as a result of or arising out of the performance of the work described herein. The new total revised maximum Contract Price is \$_____, including changes incorporated by this Change Order.

- D. Except as specifically provided herein, all other Contract terms and conditions shall remain unchanged.

Public Utility District No. 2
of Grant County, Washington

Washington State Department of Fish and Wildlife

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

APPENDIX "C"
TASK AUTHORIZATION FOR
PROFESSIONAL SERVICES

Contract No.:	430-12306	Task Authorization No.:		Amendment No.:	
Project Name:					

The Scope of Services covered by this authorization shall be performed in accordance with all the terms and conditions in the above referenced Contract Documents which are incorporated herein by this reference.

The District hereby requests and authorizes the Contractor to perform the following services:

Sample Only

Compensation is to be paid in accordance with and subject to the limitations in Section 4.A of the Contract Documents. In addition, the total cost of the above described work shall not exceed \$_____ without advance amendment of this Task Authorization by the District.

Public Utility District No. 2
of Grant County, Washington

Washington State Department of Fish and Wildlife

Approved for District

Accepted by Contractor

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: District Representative

Title: _____

Date: _____

Date: _____

APPENDIX “D”
CONTRACTOR SAFETY REQUEST FOR INFORMATION



Contractor Safety Request for Info

Contractor Company Name: <i>Washington State Department of Fish and Wildlife</i>		Prepared By:	
Address:		Title:	
		Phone #:	
		Date:	

Years in business under current company name: _____

PRINCIPAL BUSINESS ACTIVITY:

- | | | |
|--|--|---|
| <input type="checkbox"/> Blasting/Painting | <input type="checkbox"/> Instrumentation | <input type="checkbox"/> Machining |
| <input type="checkbox"/> Cranes | <input type="checkbox"/> Lead/Asbestos Abatement | <input type="checkbox"/> Welding/Piping |
| <input type="checkbox"/> Excavation | <input type="checkbox"/> Cement Work | <input type="checkbox"/> Electrical |
| <input type="checkbox"/> Heavy Transport | <input type="checkbox"/> Drilling | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Labor Service | <input type="checkbox"/> General Construction | |
| <input type="checkbox"/> Scaffold | <input type="checkbox"/> Hydro-Blasting/Cleaning | |

EXPERIENCE MODIFICATION RATE:

Provide the following health, safety, and environmental (HSE)-related information:

List your company’s interstate or intrastate (if applicable) Experience Modification Rate (EMR) for the three (3) most recent years, as evidenced in workers’ compensation insurance premiums:

Last Year: _____ 2-Years Ago: _____ 3-Years Ago: _____

Higher rates may require a corrective action plan for your company. Provide a copy of the letter from your insurance broker or insurance company evidencing the rate for the last 3 years.

- Check this box if your company has less than the minimum number of employees required by law to carry workers’ compensation insurance or if your company does

not have an EMR. (If checked, provide a letter from your insurance company stating this.)

Fill in the following information for the last three available years (use your OSHA 300 Logs)		Last Year	2-Yrs Ago	3-Yrs Ago
(A)	Number of fatalities each year			
(B)	Number of lost workday/restricted activity each year			
(C)	Recordable injury cases each year			
(D)	Total hours each year (do not include non-work time, even though paid)			
(E)	Injury incident rate = <u>NO. OF RECORDABLE INJURIES x 200,000</u> <u>TOTAL HOURS FOR YEAR</u>			

If your company experienced a work-related fatality during this period, provide a brief description of the causes and corrective actions taken. N/A

Has Washington State Labor & Industries, OSHA, EPA, or other State or Federal enforcement agency(s) cited and assessed penalties against your company for any “serious,” “willful” or “repeat” violations in the past five years? Yes No

If “yes,” attach a separate page describing the citations, including information about the dates of the citations, the nature of the violation, the project on which the citation(s) was or were issued, the amount of penalty paid, if any. If the citation was appealed to the agency Appeals Board and a decision has been issued, state the case number and the date of the decision.

NOTE: If you have filed an appeal of a citation and the agency appeals Board has not yet ruled on your appeal, or if there is a court appeal pending, you need not include information about the citation.

Does your company have a written HSE program?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, attach a copy or a summary of your program, including HSE policy you may have.		
Have an orientation program for new hires?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Have training program for newly hired/promoted foremen and supervisors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you hold workplace HSE meetings for supervisors?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, how often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Do you hold employee “toolbox” HSE meetings?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, how often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Do you conduct pre-task HSE planning meetings with employees?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

If yes, briefly describe the program format and/or attach a copy.

Do you conduct workplace HSE inspections?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, who conducts this inspection? How often? <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Biweekly <input type="checkbox"/> Monthly <input type="checkbox"/> As Needed		
Is the company a member of any external HSE program that awards certificates of recognition?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, list certificates of recognition your company has received within the past 3 years:		

Indicate elements included in your overall HSE program		HSE Program	New Hire Training	Supervisor/Foreman Training
<input type="checkbox"/>	Corporate HSE Policy			
<input type="checkbox"/>	HSE Workplace Committee			
<input type="checkbox"/>	HSE Inspections and Audits			
<input type="checkbox"/>	Personal Protective Equipment			
<input type="checkbox"/>	Hazard Assessment and Communication			
<input type="checkbox"/>	Task Assignment Training			
<input type="checkbox"/>	Respiratory Protection			
<input type="checkbox"/>	Fall Protection			
<input type="checkbox"/>	Scaffolding and Ladders			
<input type="checkbox"/>	Perimeter Guarding			
<input type="checkbox"/>	Housekeeping			
<input type="checkbox"/>	Fire Protection/Prevention			
<input type="checkbox"/>	First- Aid Procedures/Facilities			
<input type="checkbox"/>	Emergency Procedures			
<input type="checkbox"/>	Toxic Substances/Hazard Communication			
<input type="checkbox"/>	Trenching and Excavation			
<input type="checkbox"/>	Signs, Barricades, and Flagging			
<input type="checkbox"/>	Electrical Safety			
<input type="checkbox"/>	Rigging and Crane Safety			
<input type="checkbox"/>	Safe Work Practices			
<input type="checkbox"/>	Safety Supervision			
<input type="checkbox"/>	Toolbox/Workplace HSE Meetings			
<input type="checkbox"/>	Incident Investigation/Reporting			
<input type="checkbox"/>	Abrasive Blasting Safety			

	Substance Abuse			
	Vehicle Safety			
	Use of Compressed Gas Cylinders			
	Welding/Cutting			
	Medical Evaluation			
	Blood borne Pathogens			
	Employee Discipline			
	High-Pressure Water Cleaning			
	Hot Taps			
	Noise/Hearing Conservation			
	Heat/Cold stress			
	Incentives/Awards for HSE Achievements			
	Spill Prevention/Response			
	Dust Suppression			
	Wastewater/Storm Water Management			
	Hazardous Waste and Solid Waste Management			
	Equipment Emissions			
	Wetlands/Sensitive Habitats			

THIS INFORMATION MUST BE FURNISHED TO GRANT PUD PRIOR TO THE BIDDING OF ANY CONTRACT OR ONSITE LABOR

For further information or assistance in meeting these requirements, please contact the designated Grant PUD District Representative.

REVIEW/APPROVAL SIGNATURES
GRANT PUD USE ONLY

<p style="text-align: center;">REQUIRED SIGNATURE</p> <p>SAFETY: _____ DATE _____</p> <p>DISTRICT REP. _____ DATE _____</p>	<p style="text-align: center;"> <input type="checkbox"/> RECEIVED <input type="checkbox"/> FURTHER REVIEW </p>
---	---

*2024 Junior Lien Bond Resolution
Priest Rapids Project*

PUBLIC UTILITY DISTRICT NO. 2 OF
GRANT COUNTY, WASHINGTON
RESOLUTION NO. XXXX

A RESOLUTION OF THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON, AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF THE DISTRICT'S PRIEST RAPIDS HYDROELECTRIC PROJECT JUNIOR LIEN REVENUE BONDS, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$350,000,000 TO FINANCE IMPROVEMENTS TO THE DISTRICT'S PRIEST RAPIDS HYDROELECTRIC PROJECT; AND DELEGATING AUTHORITY TO APPROVE THE FINAL TERMS OF EACH SERIES OF BONDS.

PASSED _____, 2024

PREPARED BY:

PACIFICA LAW GROUP LLP
Seattle, Washington

PUBLIC UTILITY DISTRICT NO. 2 OF
GRANT COUNTY, WASHINGTON

Resolution No XXXX

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Exhibit A: Form of Bond

* This Table of Contents is provided for convenience only and is not a part of this resolution.

RESOLUTION NO. XXXX

A RESOLUTION OF THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON, AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF THE DISTRICT'S PRIEST RAPIDS HYDROELECTRIC PROJECT JUNIOR LIEN REVENUE BONDS, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$350,000,000 TO FINANCE IMPROVEMENTS TO THE DISTRICT'S PRIEST RAPIDS HYDROELECTRIC PROJECT; AND DELEGATING AUTHORITY TO APPROVE THE FINAL TERMS OF EACH SERIES OF BONDS.

WHEREAS, Public Utility District No. 2 of Grant County, Washington (the "District"), owns and operates the Priest Rapids Development and the Wanapum Development, which in 2010 were consolidated into a single electric utility system known as the "Priest Rapids Hydroelectric Project" pursuant to Resolution No. 8475, for the generation and transmission of electric energy (as further defined herein, the "Priest Rapids Project"); and

WHEREAS, as part of the consolidation of the Priest Rapids Development and the Wanapum Development into the Priest Rapids Project, pursuant to Resolution No. 8475, the bond funds securing bonds payable from revenues of the separate developments were combined; and

WHEREAS, the District has issued and has outstanding certain senior parity lien obligations of the Priest Rapids Development, the Wanapum Development and the Priest Rapids Project described herein (as defined herein, the "Outstanding Parity Bonds"); and

WHEREAS, the resolutions authorizing the Outstanding Parity Bonds authorize the District to issue, from time to time, bonds and notes payable from and secured by a lien on revenues of the Priest Rapids Project junior and subordinate to the lien thereon of the Outstanding Parity Bonds; and

WHEREAS, pursuant to RCW 39.59.040, any local government in the state of Washington, including the District, may invest in "bonds of the state of Washington and any local government in the state of Washington," and pursuant to RCW 54.16.085 a public utility district may make and repay interfund loans between its funds; and

WHEREAS, it is in the best interest of the District to undertake, from time to time, certain improvements at the Priest Rapids Project (as further described herein, the "Improvements"); and

WHEREAS, in order to finance such Improvements, the District has issued certain junior lien revenue bonds of the Priest Rapids Project (as defined herein, the "Outstanding Junior Lien Bonds") and sold such junior lien bonds to the Electric System (as defined herein); and

WHEREAS, the resolutions authorizing the Outstanding Junior Lien Bonds authorize the District to issue, from time to time, bonds and notes payable from and secured by a lien on revenues of the Priest Rapids Project on a parity with the Outstanding Junior Lien Bonds; and

WHEREAS, the Priest Rapids Project is in need of additional capital to finance additional Improvements; and

WHEREAS, to provide additional financing for the Improvements, the Commission now deems it advisable to authorize the issuance of one or more series of Priest Rapids Hydroelectric Project Junior Lien Revenue Bonds (Taxable) in the aggregate principal amount of not to exceed \$350,000,000 (each a “Bond” and together, the “Bonds”), which shall be sold to the District’s Electric System on a parity of lien on revenues of the Priest Rapids Project with the Outstanding Junior Lien Bonds subject to the terms and conditions set forth in this resolution; and

WHEREAS, debt service schedules for the Bonds authorized herein will conform to the Power Sales Contracts (as defined herein);

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

Section 1. Definitions. As used in this resolution the following words and phrases shall have the meanings herein set forth unless the context shall clearly indicate that another meaning is intended.

“Additional Junior Lien Bonds” means any junior lien bonds issued on a parity of lien on Gross Revenues with the Bonds authorized hereunder.

“Annual Debt Service” has the meaning set forth in the resolutions authorizing the Parity Bonds then Outstanding.

“Bond” or “Bonds” means the Priest Rapids Hydroelectric Project Junior Lien Revenue Bond (Taxable) of the District issued from time to time pursuant to this resolution.

“Bond Fund” means the Priest Rapids Project Revenue Bond Fund created by the District for the purpose of paying the principal of and interest on the Parity Bonds.

“Bond Register” means the records kept by the Registrar on behalf of the District containing the name and mailing address of each owner of the Bonds, and such other information as the Registrar shall determine.

“Chief Financial Officer/Treasurer” or “Treasurer” means the duly appointed and acting Chief Financial Officer/Treasurer of the District or any successor in function.

“Commission” means the general legislative authority of the District, as duly constituted from time to time.

“Coverage Requirement” means (a) 1.15 times the Annual Debt Service in a Fiscal Year, plus (b) any money required to be deposited into the reserve account in the Bond Fund and other payments required in that Fiscal Year, less (c) any amounts transferred into the Bond Fund or the Junior Lien Bond Fund as surplus money as of the end of the preceding Fiscal Year.

“Current Power Sales Contracts” means the contracts entered into in December 2001 between the District and other electric utilities for the sale of power and energy from the Priest Rapids Project and as such contracts have been and may be amended or supplemented from time to time.

“Designated Representative” means the General Manager/Chief Executive Officer, the Chief Financial Officer/Treasurer, and the Senior Manager of Treasury and Financial Planning/Deputy Treasurer and any successor to the functions of such offices. The signature of one Designated Representative shall be sufficient to bind the District.

“District” means Public Utility District No. 2 of Grant County Washington, a municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State.

“Electric System” means the electric utility and telecommunications properties, rights and assets, real and personal, tangible and intangible, now owned and operated by the District and used or useful in the generation, transmission, distribution and sale of electric energy, telecommunication services, and the business incidental thereto, and all properties, rights and assets, real and personal, tangible and intangible, hereafter constructed or acquired by the District as additions, betterments, improvements or extensions to said electric utility and telecommunications properties, rights and assets, including, but not limited to, the contract interest of the District in the P.E.C. Headworks Powerplant Project and in the Quincy Chute Project, but shall not include the Priest Rapids Project or any additions thereto, or any other generating, conservation, transmission or distribution facilities which heretofore have been or hereafter may be acquired or constructed by the District as a utility system that is declared by the Commission, at the time of financing thereof, to be separate from the Electric System, the revenues of which may be pledged to the payment of bonds issued to purchase, construct or otherwise acquire or expand such separate utility system or are otherwise pledged to the payment of the bonds of another such separate utility system of the District other than the Electric System. The Electric System does not include any interest of the District in contracts for the sale to other parties of power and energy from the Priest Rapids Project, but does include the right of the District to receive power and energy from the Priest Rapids Project.

“FERC License” means the license granted by the Federal Power Commission to develop the Priest Rapids site on the Columbia River, which development consisted of two stages designated the Priest Rapids Development and the Wanapum Development, as such license has been amended and may be amended from time to time.

“Fiscal Year” means the Fiscal Year used by the District at any time. At the time of the adoption of this resolution, the Fiscal Year is the twelve-month period beginning January 1 of each year.

“Future Parity Bonds” means any note, bonds or other obligations for borrowed money of the District which will have a lien upon the Gross Revenues of the Priest Rapids Project for the payment of the principal thereof and interest thereon equal to the lien upon the Gross Revenues of the Priest Rapids Project for the payment of the principal of and interest on the Outstanding Parity Bonds.

“Gross Revenue” means all income, revenues, receipts and profits derived by the District through the ownership and operation of the Priest Rapids Project, together with the proceeds received by the District directly or indirectly from the sale, lease or other disposition of any of the properties, rights or facilities of the Priest Rapids Project, and together with the investment income earned on money held in any fund or account of the District, including any bond redemption funds and the accounts therein and federal credit payments for interest on bonds, in connection with the ownership and operation of the Priest Rapids Project, exclusive of insurance proceeds and income derived from investments irrevocably pledged to the payment of any specific revenue bonds of the District, such as bonds heretofore or hereafter refunded, or any bonds defeased, or the payment of which is provided for, under any similar provision of any other bond resolution of the District, and exclusive of investment income earned on money in any arbitrage rebate fund established for any Parity Bonds.

“Improvements” mean those improvements to the Priest Rapids Project authorized by Section 3 of this resolution.

“Interest Rate” means the fixed rate or rates of interest on each Bond as approved by a Designated Representative.

“Interest Payment Date” for each Bond issued hereunder means January 1 and July 1, as provided for in such Bond.

“Issuance Date” means the date each Bond is delivered to the Purchaser.

“Junior Lien Bond Fund” means the fund created by the District for the purpose of paying the principal of and interest on the Junior Lien Bonds.

“Junior Lien Bonds” means the Outstanding Junior Lien Bonds, the Bonds and any Additional Junior Lien Bonds.

“Maturity Date” means the final date of maturity of a Bond as approved by a Designated Representative and set forth in such Bond.

“Net Revenue” means, for any period, the excess of Gross Revenues over Operating Expenses for such period, excluding from the computation of Gross Revenues any profit or loss derived from the sale or other disposition, not in the ordinary course of business, of properties, rights or facilities of the Priest Rapids Project, or resulting from the early extinguishment of debt.

“Operating Expenses” means the District’s expenses for operation and maintenance of the Priest Rapids Project, and ordinary repairs, renewals of and replacements to the Priest Rapids Project, including payments into working capital reserves in the Revenue Fund for items of Operating Expenses the payment of which is not immediately required, and shall include, without limiting the generality of the foregoing, operation and maintenance expenses; rents; administrative and general expenses; engineering expenses; legal and financial advisory expenses; required payments to pension, retirement, health and hospitalization funds; insurance premiums; and any taxes, assessments, payments in lieu of taxes or other lawful governmental charges, all to the extent properly allocable to the Priest Rapids Project; and the fees and expenses of the Paying Agent and

Registrar. Operating Expenses shall not include any costs or expenses for new construction, interest, amortization or any allowance for depreciation.

“Outstanding” when used with respect to the Parity Bonds means, as of any date, any Parity Bonds issued pursuant to a resolution of the Commission except (i) any Parity Bonds cancelled by the bond register for such bonds or paid at or prior to such date, (ii) Parity Bonds in lieu of or in substitution for which other Parity Bonds have been delivered, and (iii) Parity Bonds deemed no longer outstanding under the resolution authorizing their issuance.

“Outstanding Junior Lien Bonds” mean the Junior Lien Bonds outstanding as of June 1, 2024, in the aggregate principal amount of \$659,360,000.00.

“Outstanding Parity Bonds” mean the Parity Bonds Outstanding as of the date of this resolution.

“Parity Bonds” mean the Outstanding Parity Bonds and any Future Parity Bonds.

“Permitted Investments” means any investments or investment agreements permitted under the laws of the State, as amended from time to time.

“Power Sales Contracts” means the Current Power Sales Contracts, and any other contracts entered into by the District for the sale of power and energy from the Priest Rapids Project, and as such contracts may be amended and supplemented from time to time.

“Priest Rapids Development” means the utility system of the District acquired and constructed pursuant to the provisions of Resolution No. 313, adopted by the Commission on June 19, 1956, including a dam at the Priest Rapids Development, all generating and transmission facilities associated therewith, and all additions, betterments and improvements to and extensions of such system, but shall not include any additional generation, transmission and distribution facilities hereafter constructed or acquired by the District as a part of the Electric System or the Wanapum Development, or any other utility properties of the District acquired as a separate utility system, the revenues of which may be pledged to the payment of bonds issued to purchase, construct or otherwise acquire such separate utility system.

“Priest Rapids Project” means the Priest Rapids Development and the Wanapum Development, which were consolidated pursuant to Resolution No. 8475.

“Professional Utility Consultant” means the independent person(s) or firm(s) selected by the District having a favorable reputation for skill and experience with generation, transmission and distribution systems of comparable size and character to the Priest Rapids Project in such areas as are relevant to the purposes for which they are retained: (a) engineering and operations and (b) the design of rates.

“Project Account” means the special account of that name authorized to be created pursuant to this resolution.

“Purchaser” means the District, acting through its Electric System, an enterprise fund and utility system separate and distinct from the Priest Rapids Project.

“Registrar” means the Chief Financial Officer/Treasurer of the District.

“Revenue Fund” means the Priest Rapids Project Revenue Fund of the District.

“RR&C Fund” means the Priest Rapids Project Repair, Renewal and Contingency Fund created by the District.

“Rule” means the SEC’s Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“SEC” means the Securities and Exchange Commission.

“State” means the State of Washington.

“Wanapum Development” means the second stage of the Priest Rapids Hydroelectric Project (F.P.C. (or FERC) Project No. 2114), as more fully described in Section 2.2 of Resolution No. 474 adopted by the Commission on June 30, 1959, or as the same may be modified in accordance with Section 2.3 of Resolution No. 474, but shall not include any generation, transmission and distribution facilities hereafter constructed or acquired by the District as a part of the Electric System or the Priest Rapids Development, or any other utility properties of the District acquired as a separate utility system, the revenues of which may be pledged to the payment of bonds issued to purchase, construct or otherwise acquire such separate utility system.

Section 2. Findings.

(a) *Gross Revenues Sufficient.* The Commission hereby finds that the Gross Revenues to be derived by the District from the operation of the Priest Rapids Project at the rates to be charged for the electricity furnished thereby will be sufficient in the judgment of the Commission, to meet all expenses of operation and maintenance, and to make all necessary repairs, replacements and renewals thereof, and to permit the setting aside out of such Gross Revenues and money in the Revenue Fund into the Bond Fund of such amounts as may be required to pay the principal of and interest on the Parity Bonds and into the Junior Lien Bond Fund to pay the principal of and interest on the Junior Lien Bonds as the same become due and payable.

(b) *Due Regard.* The Commission hereby finds that due regard has been given to the cost of the operation and maintenance of the Priest Rapids Project and that it has not obligated the District to set aside into the Bond Fund for the account of the Parity Bonds or into the Junior Lien Bond Fund for the Junior Lien Bonds a greater amount of the revenues and proceeds of the Priest Rapids Project than in its judgment will be available over and above such cost of operation and maintenance and other costs payable from such revenues and proceeds.

(c) *Compliance with Parity Conditions.* The Commission hereby finds as required by the resolutions authorizing the issuance of the Outstanding Junior Lien Bonds that the Bonds authorized herein will be issued with a lien junior to the lien and charge of the Parity Bonds, and on a parity with the Outstanding Junior Lien Bonds. The Bonds will not be subject to acceleration.

(d) *Plan and System.* The public interest, welfare, convenience and necessity require that the District construct the capital improvements included in the District’s capital plans at the

Wanapum Development and Priest Rapids Development, as such plans may be amended, and other capital improvements (collectively, the “Improvements”). The Commission hereby specifies and adopts the Improvements as a plan and system for additions and betterments to the Priest Rapids Project.

(e) *Best Interests of the District.* The Commission hereby finds and determines that it is in the best interests of the District and its customers that the District from time to time issue the Bonds authorized herein for the purpose of financing costs of the Improvements.

Section 3. Authorization of Bonds; Payment, Registration and Transfer.

(a) *Authorization of Bonds.* For the purpose of providing funds to finance and/or reimburse the District for costs of the Improvements, the District hereby authorizes the issuance and sale from time to time of one or more series of subordinate lien revenue bonds of the Priest Rapids Project in the aggregate principal amount of not to exceed \$350,000,000 (each a “Bond” and together, the “Bonds”).

Each Bond shall be designated as “Public Utility District No. 2 of Grant County, Washington, Priest Rapids Hydroelectric Project Junior Lien Revenue Bond, [year of issuance] (Taxable),” shall be dated as of the Issuance Date for such Bond and shall mature on the Maturity Date for such Bond.

Each Bond shall bear interest at the applicable Interest Rate or Rates, as set forth in the Bond. Interest on each Bond shall be payable on the Interest Payment Dates and principal of each Bond shall be payable as set forth in the Bond. Interest on the Bond shall be computed on the basis of a 360-day year consisting of 12 months of 30 days each, except as otherwise provided for in the Bond. The principal of and interest on each Bond shall be payable from the Junior Lien Bond Fund as described herein.

(b) *Registration and Payment.* The Bonds shall be issued in fully registered form. Both the principal of and interest on the Bonds shall be payable in lawful money of the United States of America by check, warrant, wire transfer or automatic clearinghouse funds to the registered owner of the Bonds. All such payments shall be valid and shall satisfy and discharge the liability of the District upon such Bonds to the extent of the amount or amounts so paid.

The Registrar and paying agent for the Junior Lien Bond shall be the Chief Financial Officer/Treasurer or such officer’s designee.

If any Bond shall at any time become mutilated or be lost, stolen or destroyed, the District may execute and direct the Registrar to authenticate and deliver a new Bond.

(c) *Limited Offering; Transfer Limitations.* Anything herein to the contrary notwithstanding, each Bond issued under this resolution shall be purchased and held by the Electric System, as Purchaser, and shall not be publicly offered or sold to any other person. The Bonds shall not be transferrable.

Section 4. Prepayment. The Bond may be prepaid in whole or in part by the District at any time.

Section 5. Payment of the Bonds; Junior Lien Bond Fund; Security. The Junior Lien Bonds are special limited obligations of the District secured by the Gross Revenues and the money and assets credited to the Revenue Fund and the RR&C Fund, and the income therefrom, which Junior Lien Bonds shall have a lien on such Gross Revenues and such money and assets junior to the payments set forth in this resolution. For so long as the Junior Lien Bonds are outstanding, the District shall comply with the covenants set forth in this resolution.

The Junior Lien Bonds are payable solely out of a special fund of the District previously established and designated as the Priest Rapids Hydroelectric Project Junior Lien Bond Fund (the "Junior Lien Bond Fund"). Amounts on deposit in the Junior Lien Bond Fund shall be drawn upon only for the purpose of paying the principal of and interest on the Junior Lien Bonds on a ratable basis as such amounts become due and payable.

The District hereby covenants that on or before each interest or principal and interest payment date for the Junior Lien Bonds it will deposit in the Junior Lien Bond Fund amounts out of the Revenue Fund as shall be necessary, when added to other amounts paid into the Junior Lien Bond Fund, to pay the interest and principal due on the Junior Lien Bonds as the same becomes due.

There is no debt service reserve, other reserve fund or credit enhancement securing repayment of the Bonds. The Bonds shall not constitute a general obligation or pledge of the faith and credit of the District or debt or pledge of the faith and credit of the State or any other municipal corporation or political subdivision thereof or a debt of any other system of the District except the Priest Rapids Project as described herein.

Section 6. Revenue Fund.

(a) A special fund of the District, known as the "Columbia River-Priest Rapids Hydroelectric Development Revenue Fund," was created by Resolution No. 313. A special fund of the District, known as the "Columbia River-Wanapum Hydroelectric Development Revenue Fund" was created by Resolution No. 474. A special fund of the District, known as the "Priest Rapids Project Revenue Fund" (the "Revenue Fund"), which is held in trust by the District, was created by Resolution No. 8475. The Columbia River-Priest Rapids Hydroelectric Development Revenue Fund and the Columbia River-Wanapum Hydroelectric Development Revenue Fund were merged into the Revenue Fund by Resolution No. 8475.

The District covenants that so long as any of the Parity Bonds are Outstanding and the Junior Lien Bonds are outstanding and unpaid it will continue to pay into the Revenue Fund all Gross Revenues, exclusive of earnings on money on hand in the RR&C Fund, the Project Account and the Bond Fund and the Junior Lien Bond Fund, which may be retained in such funds or transferred to other funds as required by this resolution and the resolutions authorizing the Parity Bonds then Outstanding and the Junior Lien Bonds.

(b) The District hereby creates a charge and obligation against the Revenue Fund, which charge and obligation shall remain in effect so long as any Parity Bonds are Outstanding or the Junior Lien Bonds are outstanding and unpaid, in an amount equal to the Coverage Requirement. The District shall pay from the Revenue Fund, after paying or making provision for

the payment of Operating Expenses, the Coverage Requirement. The Coverage Requirement shall be disbursed as follows:

(1) The payments into the Bond Fund required by the resolutions authorizing the Parity Bonds shall be made.

(2) The deposits into the reserve account and other payments required by the resolutions authorizing the Parity Bonds shall be made.

(3) An amount equal to 0.0125 of Annual Debt Service shall be deposited into the RR&C Fund on or prior to the 25th day of each month, to the extent there is not the required amount in the RR&C Fund, and applied to the purposes set forth in the resolutions authorizing the Parity Bonds.

(4) The deposit to the Junior Lien Bond Fund required by this resolution and the other resolutions authorizing the issuance of Junior Lien Bonds shall be made.

(c) The amounts on deposit in the Revenue Fund shall be used only for the following purposes and in the following order of priority:

(1) to pay or provide for Operating Expenses;

(2) to make all payments required to be made into the interest account in the Bond Fund for the Parity Bonds and to make any District Payments;

(3) to make all payments required to be made into the principal and bond retirement account in the Bond Fund for the Parity Bonds;

(4) to make all payments required to be made into the reserve account in the Bond Fund and to make all payments required to be made pursuant to a reimbursement agreement or agreements (or other equivalent documents) in connection with qualified insurance or a qualified letter of credit obtained for the reserve account; provided that if there is not sufficient money to make all payments under such reimbursement agreements, the payments will be made on a pro rata basis;

(5) to make all payments required to be made into the RR&C Fund to the extent such amount is not on deposit; and

(6) to make all payments required to be made into any special fund or account created, including the Junior Lien Bond Fund, to pay or secure the payment of junior lien obligations, including the Bonds.

After all of the above payments and credits have been made, amounts remaining in the Revenue Fund may be used for any other lawful purpose of the District relating to the Priest Rapids Project.

Section 7. Covenants.

(a) *General Rate Covenant.* The District shall establish, maintain and collect rates and charges in connection with the ownership and operation of the Priest Rapids Project that shall be fair and nondiscriminatory and adequate to provide Gross Revenues sufficient for the payment of the principal of and interest on all Parity Bonds then Outstanding and the Junior Lien Bonds then outstanding, all amounts that the District is obligated to set aside in the Bond Fund and the Junior Lien Bond Fund, the payment of all Operating Expenses of the Priest Rapids Project, and the payment of any and all amounts that the District may now or hereafter become obligated to pay from the Gross Revenues, including, inter alia, payments to providers of qualified insurance and qualified letters of credit.

(b) *Rate Covenant - Coverage Requirement.* The District shall establish, maintain and collect rates or charges in connection with the ownership and operation of the Priest Rapids Project sufficient to provide Net Revenues in any Fiscal Year hereafter in an amount that is at least equal to the Coverage Requirement, and such amounts as are required to pay the principal of and interest on any outstanding obligations of the District for the Priest Rapids Project, excluding any capitalized interest thereon in such Fiscal Year.

The failure to collect Gross Revenues in any Fiscal Year sufficient to comply with the covenants contained in paragraph (a) above and this (b) shall not constitute an event of default if the District, before the 90th day of the following Fiscal Year, both:

(1) Employs a Professional Utility Consultant to recommend changes in the District's rates that are estimated to produce Gross Revenues sufficient (once the rates recommended by the Professional Utility Consultant have been imposed by the District) to meet the requirements of (a) and (b) of this Section; and

(2) Imposes rates at least as high as those recommended by such Professional Utility Consultant.

The calculation of the Coverage Requirement set forth above, and the District's compliance therewith, may be made solely with reference to this resolution without regard to future changes in generally accepted accounting principles. If the District has changed one or more of the accounting principles used in the preparation of its financial statements, because of a change in generally accepted accounting principles or otherwise, then an event of default relating to this section shall not be considered an event of default if the Coverage Requirement ratio would have been complied with had the District continued to use those accounting principles employed at the date of the most recent audited financial statements prior to the date of this resolution.

The debt service due in any Fiscal Year on the Junior Lien Bonds then outstanding shall be included in the calculation; and the Electric System covenants to pay to the Priest Rapids Project from the Electric System that portion of the debt service on such Junior Lien Bonds that is not otherwise paid or provided for from payments received by the Priest Rapids Project from the sale of power and energy and related products from the Priest Rapids Project to purchasers other than the District.

(c) *Maintenance of Priest Rapids Project in Good Condition.* The District will at all times maintain, preserve and keep the Priest Rapids Project in good repair, working order and

condition, and will from time to time make all necessary and proper repairs, renewals, replacements, extensions and betterments thereto so that at all times the business carried on in connection therewith shall be properly and advantageously conducted, and the District will at all times operate such properties and the business in connection therewith in an efficient manner and at reasonable cost.

(d) *Disposal of Properties.* The District will not sell or otherwise dispose of the Priest Rapids Project in its entirety unless simultaneously with such sale or other disposition, provision is made for the payment of cash into the Bond Fund sufficient to pay the principal of and interest on all Parity Bonds then Outstanding and any premium upon the retirement thereof in full and in accordance with the requirements of the resolutions authorizing the issuance of such bonds, nor will it sell or otherwise dispose of any part of the useful operating properties of the Priest Rapids Project if such sale or disposition would result in a reduction of Net Revenues below the amounts required in paragraph (b) above.

The District may sell or otherwise dispose of any of the properties of the Priest Rapids Project or any real or personal property comprising a part of the same which shall have become unserviceable, inadequate, obsolete or unfit to be used in the operation of the Priest Rapids Project or no longer necessary, material to or useful in such operation. The proceeds of any such sale or disposition of a portion of the properties of the Priest Rapids Project shall be deposited in any construction fund of the District, and may be used for any purposes for which Parity Bonds may be issued. Such proceeds shall be transferred to the reserve account to the extent that such transfer shall be necessary to make up any deficiency in the reserve account. The balance, if any, shall, at the option of the District, be used for repairs, renewals, replacements, or additions to or extensions of the Priest Rapids Project or be used in the retirement of Parity Bonds prior to maturity, either by purchase at prices not to exceed the next applicable redemption price or by call for redemption.

If the FERC License is awarded to another party, the District shall deposit into the Bond Fund, promptly following receipt, any compensation received from the new licensee or otherwise up to the amount necessary to pay or provide for the payment of principal of and interest on the Parity Bonds then Outstanding and any Junior Lien Bonds.

(e) *Insurance.* The District will keep the Priest Rapids Project insured, and will carry such other insurance, with responsible insurers, with policies payable to the District, against risks, accidents or casualties, at least to the extent that insurance is usually carried by municipal corporations operating like properties; provided, however, that the District may, if deemed necessary and advisable by the Commission, institute or continue a self-insurance program with respect to any or all of the aforementioned risks. In the event of any loss or damage, the District will promptly deposit the insurance proceeds into any construction fund created by the District, and use such funds to repair or replace the damaged portion of the insured property and apply the proceeds of any insurance policy or self-insurance funding for that purpose; or in the event the District should determine not to repair or reconstruct such damaged portion of the properties of the District, the proceeds of such insurance or self-insurance funding shall be transferred to the Reserve Account to the extent that such transfer shall be necessary to make up any deficiency in the Reserve Account and the balance, if any, shall, at the option of the District, be used for repairs, renewals, replacements, or additions to or extensions of the Priest Rapids Project or be used in the

retirement of Parity Bonds or Junior Lien Bonds prior to maturity, either by purchase at prices not to exceed the next applicable redemption price or by call for redemption.

(f) *Books of Account.* The District shall keep proper books of account, showing as a separate utility system the accounts of the Priest Rapids Project, in accordance with the rules and regulations prescribed by the State Auditor's office of the State, or other State department or agency succeeding to such duties of the State Auditor's office, and if no such rules or regulations are prescribed as aforesaid, then in substantial accordance with the uniform system of accounts prescribed by the Federal Energy Regulatory Commission or other federal agency having jurisdiction over public electric utility companies owning and operating properties similar to the properties of the District, whether or not the District is at the time required by law to use such system of accounts. The District shall cause its books of account to be audited annually by the State Auditor's office or other State department or agency as may be authorized and directed by law to make such audits, or if such an audit shall not be completed and the audit report presented within 12 months after the close of any Fiscal Year of the District, by independent certified public accountants. In keeping such books of account, the District shall accrue depreciation monthly thereon on its depreciable properties in accordance with the accounting practice prescribed by the public departments or agencies above mentioned. Any owner of any Bond may obtain at the office of the District copies of the balance sheets and statements of revenues, expenses and changes in net assets showing in reasonable detail the financial condition of the Priest Rapids Project as of the close of each Fiscal Year, and the income and expenses of such year, including the amounts paid into the Revenue Fund, the Bond Fund, and in any and all special funds created pursuant to the provisions of this resolution, and the amounts expended for maintenance, renewals, replacements, and gross capital additions to the Priest Rapids Project.

(g) *Make Only Economically Sound Improvements.* The District will not expend any of the revenues derived by it from the operation of the Priest Rapids Project or the proceeds of Parity Bonds, Junior Lien Bonds or other obligations for any extensions, betterments and improvements to the Priest Rapids Project which will not properly and advantageously contribute to the conduct of the business of the Priest Rapids Project.

(h) *FERC License.* The District hereby covenants to use its best efforts to retain the FERC License and to renew the FERC License when it expires.

(i) *Enforcement of Power Sales Contracts.* The District hereby covenants to enforce its rights and the obligations of power purchasers under the Power Sales Contracts.

Section 8. Additional Debt and Obligations.

(a) *Parity Bonds.* The District reserves the right to issue Future Parity Bonds if it meets the conditions to such issuance set forth in the resolutions for the Parity Bonds then Outstanding of the District.

(b) *Additional Junior Lien Bonds and Other Junior Lien Obligations.* The Junior Lien Bonds are junior lien obligations of the District, subject to the payments required under the resolutions authorizing the Parity Bonds. The District may issue bonds, notes, warrants or other obligations payable from and secured by a lien and charge equal to ("Additional Junior Lien

Bonds”) or junior to the lien and charge of the Junior Lien Bonds. The District may issue bonds, notes, warrants or other obligations payable from and secured by a lien and charge junior to the lien and charge created by this resolution and may create a special fund or funds for payment of such junior obligations; provided, however, that such obligations and the resolutions authorizing the same shall expressly state that the lien and charge securing such obligations is junior to the lien and charge created by this resolution and by the resolutions authorizing Parity Bonds. Any such junior lien obligations shall not be subject to acceleration.

(c) *Acceleration Prohibited.* The resolutions authorizing the Parity Bonds and Junior Lien Bonds shall not permit acceleration or other event or circumstance whereby the principal of such obligations becomes immediately due and payable as a remedy upon an event of default.

Section 9. Sale of the Bonds.

(a) The Commission has determined that it is in the best interest of the District to delegate to each Designated Representative the authority to approve the number of series and the series designations, final principal amounts, Issuance Date, denominations, principal payments, Interest Rate(s), payment dates, redemption provisions, and Maturity Date for each Bond issued under this resolution, provided that:

(1) The aggregate principal amount (face amount) of all Bonds issued under this resolution does not exceed \$350,000,000;

(2) Each Bond issued under this resolution shall bear interest at a fixed rate or rates, as is acceptable to the Designated Representative;

(3) Each Bond shall be subject to prepayment on any date prior to its Maturity Date at the option of the District without penalty;

(4) Each Bond shall be sold at a price of par (100%); and

(5) Each Bond shall be dated as of the date of its delivery to the Purchaser.

The terms of each Bond issued hereunder shall be set forth in the Bond.

Subject to the conditions set forth herein, Bonds may be issued under this resolution from time to time from the effective date of this resolution until December 31, 2030. The District may extend such authorization and/or modify the terms and conditions relating to the issuance of the Bonds authorized hereunder by adopting an amending resolution.

In determining the number of series, the series designations, final principal amounts, dated date, denominations, interest rates, payment dates, redemption provisions, and Maturity Dates for the Bonds authorized under this resolution, a Designated Representative, in consultation with other District officials and staff and advisors, shall take into account those factors that, in such individual’s judgment, will result in the most favorable cost of the Bonds to their maturity, including, but not limited to current financial market conditions and current interest rates for obligations comparable to such Bonds.

Each Bond issued under this resolution shall be sold to the Electric System of the District, as Purchaser, upon the determination by a Designated Representative that the conditions of this Section have been met, which determination shall be evidenced by the issuance of a Bond.

Each Junior Lien Bond will be printed at District's expense and will be delivered to the Electric System in accordance with this resolution.

Section 10. Disposition of Bond Proceeds; Project Account. There is hereby authorized to be created a special account of the District (the "Project Account"), which shall be held by the District. Proceeds of any Bonds issued under this resolution shall be deposited into the Project Account and applied to pay (or to reimburse the District for) costs of the Improvements and to pay costs of issuance of any Bonds. Money in the Project Account may, at the option of the District, be invested in Permitted Investments. Interest earnings on the Project Account shall remain in such account and be used for capital improvements. Payments from the Project Account shall be made in accordance with law and the District's rules and procedures for the management and control of District funds. The Commission hereby authorizes the District staff to pay the costs associated with issuing all Bonds under this resolution.

Section 11. Reporting Requirements. The Bonds are exempt from ongoing disclosure requirements of the Rule and other reporting requirements.

Section 12. Form of Bonds. The Bonds shall be in substantially the form set forth in Exhibit A, which is incorporated herein by this reference, with such changes thereto as may be approved by a Designated Representative, consistent with the provisions of this resolution.

Section 13. Execution of Bonds. The Bonds shall be signed in the corporate name of the District with the manual or facsimile signature of the President of the Commission and attested by the manual or facsimile signature of the Secretary of the Commission. The seal of the District shall be impressed on the Bonds.

Each Bond shall bear thereon a registration certificate, in the form set forth in Exhibit A, executed manually by the Registrar. Only such Bonds as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under this resolution, and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Registrar. Such certificate of the Registrar upon any Bond executed on behalf of the District shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered and is enforceable under this resolution and that the owner thereof is entitled to the benefits of this resolution.

In case either of the officers who shall have executed the Bonds shall cease to be an officer or officers of the District before the Bonds so signed shall have been issued by the District, such Bonds may nevertheless be delivered and issued and upon such delivery and issuance shall be as binding upon the District as though those who signed the same had continued to be such officers of the District. The Bonds may also be signed and attested on behalf of the District by such persons as at the actual date of execution of such Bonds shall be the proper officers of the District although at the original date of such Bonds any such person shall not have been such Officer of the District.

Section 14. Authorization to Officials and Agents. The General Manager/Chief Executive Officer, the Chief Financial Officer/Treasurer, and the Senior Manager of Treasury and Financial Planning/Deputy Treasurer, and the President, Vice President and Secretary of the Commission and each of the other appropriate officers of the District are each hereby authorized and directed to take such steps, to do such other acts and things, and to execute such letters, certificates, agreements, papers, financing statements, assignments, or instruments as in their judgment may be necessary, appropriate, or desirable in order to carry out the terms and provisions of, and complete the transactions contemplated by, this resolution.

Section 15. Miscellaneous.

(a) *Corrections.* Upon approval of the District's General Counsel and Bond Counsel, the District Secretary is hereby authorized to make necessary corrections to this resolution, including but not limited to the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; numbering and section/subsection numbering; and other similar necessary corrections.

(b) *Resolution a Contract.* The District agrees to comply with the provisions of this resolution in connection with each Bond issued hereunder.

(c) *Severability.* If any one or more of the covenants or agreements provided in this resolution on the part of the District to be performed shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements shall be null and void and shall be deemed separable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this resolution or of each Bond issued hereunder.

(d) *Prior Acts.* All acts taken pursuant to the authority of this Resolution but prior to its effective date are hereby ratified and confirmed.

Section 16 Effective Date of Resolution. This resolution shall be in effect from and after its adoption in accordance with law.

ADOPTED by the Commission of Public Utility District No. 2 of Grant County, Washington, at a regular meeting thereof this 9th day of July, 2024.

PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON

By: _____
President and Commissioner

Commissioner

Commissioner

Commissioner

Commissioner

ATTEST:

Title: _____

CERTIFICATION

I, the undersigned, Secretary of the Commission of Public Utility District No. 2 of Grant County, Washington (the “District”), and keeper of the records of the Commission (the “Commission”) DO HEREBY CERTIFY:

1. That the attached is a true and correct copy of Resolution No. XXXX (the “Resolution”) of the Commission, duly adopted at a regular meeting thereof held on the 9th day of July, 2024.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Commission voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

Dated this 9th day of July, 2024.

Secretary of the Commission of
Public Utility District No. 2 of
Grant County, Washington

Sale of Bond. This bond will be sold to the District's Electric System at the aggregate purchase price of \$ _____, which is the principal (par) amount of this bond, with no premium/discount.

Prepayment. This bond may be prepaid in whole or in part by the District at any time.

Purpose of Bond; Limited Subordinate Lien Obligations. This bond is being issued to finance certain costs of improvements to the District's Priest Rapids Project. This bond is secured by a charge and lien on the Gross Revenues and certain other money junior to the charge and lien on the Gross Revenues of the Parity Bonds then Outstanding, and on a parity with the District's Junior Lien Bonds outstanding at the time of issuance of this bond and any Additional Junior Lien Bonds that may be issued from time to time in the future. The District has reserved the right to issue Additional Junior Lien Bonds subject to the terms and conditions in the Bond Resolution.

Copies of the Bond Resolution are on file at the principal office of the District, and reference thereto, and to any and all modifications and amendments thereof, is hereby made for a more complete description of the Gross Revenues available for the payment of the principal of, premium, if any, and interest on this junior lien bond and the rights and remedies of the owner of this bond with respect thereto, the terms and conditions upon which this bond has been issued, and the covenants of the District made for the benefit of the owners of this bond.

The pledge of Gross Revenues securing payment of the principal of and premium, if any, and interest on the Parity Bonds then Outstanding and any future Parity Bonds is a lien and charge on the Gross Revenues superior to all other liens and charges of any kind or nature, including the Junior Lien Bonds subject to prior application of Gross Revenues for payment of Operating Expenses, as further described in the Bond Resolution.

This bond is a special obligation of the District and is payable solely from the Junior Lien Bond Fund. This bond shall not be deemed to constitute a general obligation or pledge of the faith and credit of the District or debt or pledge of the faith and credit of the State of Washington or any other municipal corporation or political subdivision thereof or a debt of any other system of the District except the Priest Rapids Project.

Registration; Transfer; Validity. The District and any other person may treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment hereof and for all purposes and shall not be affected by any notice to the contrary, whether this bond be overdue or not.

This bond is NOT transferrable.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Registration Certificate hereon shall have been manually signed by the Registrar.

Execution and delivery of this bond shall be evidence that the conditions in the Bond Resolution that must be met prior to the delivery of this bond have been satisfied and confirmed.

It is hereby certified, recited and declared that all acts, conditions and things required by the constitution and statutes of the State of Washington to exist, to have happened and to have been performed precedent to and in the issuance of this bond do exist, have happened and have been performed in due time, form and manner as prescribed by law, and that the amount of this bond, together with all other obligations or indebtedness of the District, does not exceed any constitutional or statutory limitations of indebtedness.

IN WITNESS WHEREOF Public Utility District No. 2 of Grant County Washington by its Commission has caused this bond to be signed with the manual or facsimile signature of the President of the Commission and attested by the manual or facsimile signature of the Secretary thereof, and the seal of the District to be impressed hereon, as of this ***[DATE OF ISSUANCE]***.

PUBLIC UTILITY DISTRICT NO. 2 OF
GRANT COUNTY, WASHINGTON

(SEAL)

By *[manual or facsimile signature]*
President of the Commission

ATTEST:

[manual or facsimile signature]
Secretary of the Commission

REGISTRATION CERTIFICATE

This bond is registered in the name of the Registered Owner on the books of the District, in the office of the Chief Financial Officer/Treasurer of the District (the “Registrar”), as to both principal and interest, as shown in the registration blank below. All payments of principal of and interest on this bond shall be made by the District to the Registered Owner as shown hereon and on the registration books of the Registrar.

Date of Registration	Name and Address of Registered Owner	Signature of Registrar
<i>[DATE OF ISSUANCE]</i>	Electric System – Public Utility District No. 2 of Grant County 30 C Street Ephrata, WA 98823	_____ Chief Financial Officer/Treasurer, Public Utility District No. 2 of Grant County, Washington

PAYMENT SCHEDULE

[ATTACH PAYMENT SCHEDULE FOR BOND]

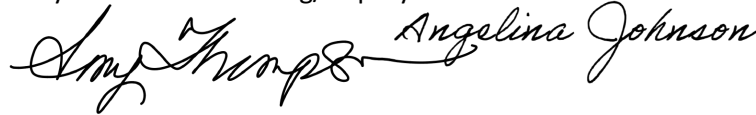
MEMORANDUM

June 11, 2024

TO: Bonnie Overfield, Chief Financial Officer/Treasurer

VIA: Angelina Johnson, Senior Manager of Treasury & Financial Planning/Deputy Treasurer

FROM: Amy Thompson, Senior Financial Analyst



SUBJECT: 2024 PRP Junior Lien Bond Resolution

Purpose: Request approval from the Commission to approve the 2024 PRP Junior Lien Bond (JLB) Resolution for future JLBs issued during the remainder of 2024 through December 31, 2030.

Discussion: The JLB program is a financing mechanism in place for the District to equity finance Priest Rapids Project (PRP) capital whereby the PRP issues a “bond” to the Electric System and is amortized per the terms of the long-term PRP Power Sales Contracts. The District began this program in 2014 as authorized by Resolution 8475 (2014 JLB issuances), and continued with Resolutions 8789 (2015-2016 JLB issuances), 8826 (2016-2021 JLB issuances), and 8968 (2021-current JLB issuances). The accompanying Resolution authorizes the District to undertake needed fund transfers and associated administration over the next five-year time frame for this program. This Resolution authorizes up to a maximum of \$350.0 million, which is estimated to cover the capital needs for equity financing issued through December 31, 2030, and provide for timing flexibility (based on forecasts at the time of development of this Resolution). A new Resolution will need to be drafted to authorize additional funds or to go beyond an issue date of December 31, 2030.

This Resolution is consistent with the prior five-year Resolution and delegates to the District’s Designated Representative (DR) the ability to authorize the specific terms and timing of each transfer of liquid assets for funding PRP capital improvements. The DR is defined as the General Manager/Chief Executive Officer, the Chief Financial Officer/Treasurer, and the Senior Manager of Treasury and Financial Planning/Deputy Treasurer and any successor to the functions of such offices. The covenants and parameters laid out in the Resolution must be consistent with prior District Resolutions for JLBs and must not conflict with other bond language and covenants. Additionally, the District maintains internal procedures and documentation for the administrative aspects of this program. Internal procedures provide for consistency of the District’s long-term power sales contracts for equity financing of capital. Bond Counsel, Pacifica Law Group, assisted the District in updating and reviewing this Resolution.

The District authorized the last PRP JLB in March of 2024 to fund PRP capital projects. Future JLBs will be conducted based upon dollar amount availability of funds and timing needs of the capital program. It is the intent to transfer funds as needed in no more than bi-annual transfers for efficiency; however, it is subject to change based on various operating factors and needs of the District.

Financial Justification: Increase of \$350.0 million is based on forecasted capital expenditures and available revenues for the next five-year period.

Key elements of the PRP Junior Lien Bonds include:

1. Ability to economically finance capital needs of the District via available funds consistent with state law and long-term PRP power sales contract provisions.
2. No requirement for additional bond reserve funds
3. Exempt from ongoing reporting requirements
4. Reduction in financing costs by lowering external debt service, issuance costs, and fees associated with annual financings/Resolutions
5. Consistent execution of stable funding program with many similar elements as senior lien bonds

6. Additional flexibility – bonds may be prepaid in whole or in part at any time and are not subject to call dates or penalties
7. Bonds are to be priced at the time of the funds transfer consistent with market rates and the power sales contracts utilizing a qualified agent to fix the rates.
8. The bonds are fixed rate obligations and not variable rate in nature with principal and interest due dates on the same schedule as senior parity bonds

Recommendation: To seek authorization of the Commission to review the attached materials at the June 25, 2024, Commission meeting and approve at the July 9, 2024, Commission meeting.

For Commission Review – 06/25/2024

RESOLUTION NO. XXXX

A RESOLUTION ACCEPTING A BID AND AWARDING CONTRACT 170-11949, FOR
SUPPLYING POLE MOUNTED DISTRIBUTION TRANSFORMERS

Recitals

1. Bids were publicly opened on May 22, 2024 for Contract 170-11949, for Supplying Pole Mounted Distribution Transformers;
2. Bid proposals were received from the following suppliers/contractors and evaluated by Grant PUD's staff;

• Stuart C Irby Co. dba Irby Electrical Utilities	\$3,103,215.00
• Anixter/Wesco	\$3,322,655.00
• General Pacific	\$4,199,250.00

3. The low bid, submitted by Stuart C Irby Co. dba Irby Electrical Utilities is both commercially and technically compliant with Grant PUD's contract requirements;
4. The bid is less than the Engineer's Estimate of \$3,023,650.00 plus 15%; and
5. Grant PUD's Senior Manager of Power Delivery and Managing Director of Power Delivery concur with staff and recommend award to Stuart C Irby Co. dba Irby Electrical Utilities 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 170-11949, for Supplying Pole Mounted Distribution Transformers with Stuart C Irby Co. dba Irby Electrical Utilities of Portland, Oregon in the amount of \$3,103,215.00 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, Washington, this 9th day of July, 2024.

President

ATTEST:

Secretary

Vice President

Commissioner

Commissioner

MEMORANDUM

June 10, 2024

TO: Rich Wallen, General Manager/Chief Executive Officer

VIA: Jeff Grizzel, Chief Operating Officer
Ron Alexander, Director of Power Delivery
Jesus Lopez, Senior Manager of Power Delivery Engineering
Bob Kakaley, Distribution Systems Supervisor

FROM: Kyle Robillard, Project Manager

SUBJECT: Award of Contract 170-11949, Supplying Pole Mounted Distribution Transformers

Purpose: To request Commission approval to award Contract 170-11949 to Stuart C Irby Company to supply pole mounted distribution transformers in the not to exceed amount of \$3,103,215.00, plus sales tax.

Discussion: This Contract will supply pole mounted distribution transformers for new line extensions, new customer requests, upgrading and/or replacement of existing pole mounted distribution transformers and inventory for use due to storm damage or any other emergency. Manufacturers are pre-approved and their transformer designs must meet or exceed the current District technical specifications and the current Federal Department of Energy (DOE) efficiency requirements.

The district opened bids on May 22, 2024 at 2:00 PM Pacific. The following bids were received:

Bidders	Single Phase Pole Mounted Transformers (Bid Items 1-15)
Stuart C Irby Company – Quoting Central Moloney	\$3,103,215.00
Anixter/Wesco – Quoting Central Moloney	\$3,322,655.00
General Pacific – Quoting Ermco	\$4,199,250.00
Engineers Estimate	\$3,023,650.00

The following table compares the average cost per unit of our most used sizes proposed by bidders on this contract (170-11949) against the previous two District contracts from 2016 and 2021.

Description	170-4212 (2016)		170-10711 (2021)		170-11949 (2024)	
	Qty	Unit Cost	Qty	Unit Cost	Qty	Unit Cost
Single Phase Pole Mounted Transformers						
25kVA	150	\$794	300	\$867	250	\$1,975
37.5kVA	100	\$955	150	\$1,052	150	\$2,350

All Bids were evaluated for commercial and technical compliance, which includes total bid price by type of transformer, Bidder’s Data, as well as specifications and specified delivery dates. This Contract uses

estimated quantities for each Bid Item versus set quantities to prevent over and/or under purchasing quantities of the various sizes, as the demand varies, throughout the life of the Contract.

Stuart C Irby Company (Central Moloney) was the lowest bid and was found to be both commercially and technically compliant.

Anixter/Wesco(Central Moloney) was the second lowest bid and was found to be both commercially and technically compliant.

General Pacific (Ermco) was the highest bid. Their bid was also above the 15% tolerance of the Engineers Estimate. This bid was found to be not commercially compliant due to the exceptions they had to the parameters of the bid itself. This bid was found to be not technically compliant due to the exceptions they had with aspects of the technical specifications of the transformers.

Justification: Pole mounted distribution transformers are a key part of the infrastructure the District installs for supplying electric service to its customers. This Contract allows the District to procure and keep in stock a variety of different types and sizes of pole mounted distribution transformers, which shall be installed as new infrastructure for load growth and/or as replacement of existing infrastructure due to upgrading or repairing of damaged infrastructure.

If not approved, the District would run out of distribution transformers therefore not being able to connect new customers or replace damaged equipment.

Financial Considerations: This contract was a competitively bid contract and will be awarded to the lowest bidder that meets all commercial and technical compliance for each section of bid items. The bid prices and the Engineers Estimate can be reviewed in the table above.

Recommendation: Commission approval to award Contract 170-11949 to Stuart C Irby Company to supply pole mounted distribution transformers in the not to exceed amount of \$3,103,215.00, plus sales tax.

Legal Review: See attached e-mail(s).

From: [Jeff Grizzel](#)
To: [Kyle Robillard](#)
Cc: [Emilie DeLong](#)
Subject: RE: Contract 170-11949 - Supplying Pole Mounted Distribution Transformers - Commission Memo
Date: Monday, June 10, 2024 3:49:47 PM
Attachments: [image001.jpg](#)

Kyle – looks good. Just two minor changes:

1. My title is Chief Operating Officer (not Chief Operations Officer); and
2. Ron’s title is Director of Power Delivery (not Managing Director).

Thanks for the chance to review.

Jeff

From: Kyle Robillard <krobillard@gcpud.org>
Sent: Monday, June 10, 2024 2:56 PM
To: Jeff Grizzel <jgrizzel@gcpud.org>
Cc: Emilie DeLong <Edelong@gcpud.org>
Subject: FW: Contract 170-11949 - Supplying Pole Mounted Distribution Transformers - Commission Memo

Jeff,

I neglected to include you in the first email. I already received approval from Bob, Jesus, and Ron.

When you get a chance could you take a look and provide your approval by a response to this email if all looks good to you?

Thank you,

Kyle Robillard

Distribution Engineering

OFFICE 509.793.1576
EXT. 2203
Cell 509.750.3727



grantpud.org

From: Kyle Robillard
Sent: Monday, June 3, 2024 2:47 PM

To: Bob Kakaley <bkakaley@gcpud.org>; Jesus Lopez <Jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>
Cc: Emilie DeLong <Edelong@gcpud.org>
Subject: Contract 170-11949 - Supplying Pole Mounted Distribution Transformers - Commission Memo

Good afternoon,

Attached is the commission memo for Contract 170-11949 - Supplying Pole Mounted Distribution Transformers.

Please review this document and respond to this email with your approval to move forward for commission approval and award.

Also let me know if you have any questions/concerns with the document.

Thank you,

Kyle Robillard

Distribution Engineering

OFFICE 509.793.1576

EXT. 2203

Cell 509.750.3727



grantpud.org

From: [Ron Alexander](#)
To: [Kyle Robillard](#); [Bob Kakaley](#); [Jesus Lopez](#)
Cc: [Emilie DeLong](#); [William Coe](#)
Subject: RE: Contract 170-11949 - Supplying Pole Mounted Distribution Transformers - Commission Memo
Date: Monday, June 3, 2024 6:31:38 PM
Attachments: [image001.jpg](#)
Importance: High

Hello Kyle.

I also approve.

However, I would like to know what the delivery times were between the three bidders please. I am also cc'ing Will Coe whom I have asked to assist with another issue with distribution transformers.

From: Kyle Robillard <krobillard@gcpud.org>
Sent: Monday, June 3, 2024 2:47 PM
To: Bob Kakaley <bkakaley@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>
Cc: Emilie DeLong <Edelong@gcpud.org>
Subject: Contract 170-11949 - Supplying Pole Mounted Distribution Transformers - Commission Memo

Good afternoon,

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Also let me know if you have any questions/concerns with the document.

Thank you,

Kyle Robillard

Distribution Engineering

OFFICE 509.793.1576

EXT. 2203

Cell 509.750.3727



grantpud.org

From: [Jesus Lopez](#)
To: [Kyle Robillard](#)
Cc: [Emilie DeLong](#)
Subject: RE: Contract 170-11949 - Supplying Pole Mounted Distribution Transformers - Commission Memo
Date: Monday, June 10, 2024 10:40:53 AM

Good morning Kyle, My apologies for the delay. I just sent my approval in a separate email.

Jesus

From: Kyle Robillard <krobillard@gcpud.org>
Sent: Monday, June 10, 2024 8:08 AM
To: Jesus Lopez <jlopez@gcpud.org>
Cc: Emilie DeLong <Edelong@gcpud.org>
Subject: FW: Contract 170-11949 - Supplying Pole Mounted Distribution Transformers - Commission Memo

Good morning,

Just checking to see if you had had any time to look over and approve this yet.

Thanks,
Kyle

From: Kyle Robillard
Sent: Monday, June 3, 2024 2:47 PM
To: Bob Kakaley <bkakaley@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>
Cc: Emilie DeLong <Edelong@gcpud.org>
Subject: Contract 170-11949 - Supplying Pole Mounted Distribution Transformers - Commission Memo

Good afternoon,

Attached is the commission memo for Contract 170-11949 - Supplying Pole Mounted Distribution Transformers.

Please review this document and respond to this email with your approval to move forward for commission approval and award.

Also let me know if you have any questions/concerns with the document.

Thank you,

From: [Bob Kakaley](#)
To: [Kyle Robillard](#); [Jesus Lopez](#); [Ron Alexander](#)
Cc: [Emilie DeLong](#)
Subject: RE: Contract 170-11949 - Supplying Pole Mounted Distribution Transformers - Commission Memo
Date: Monday, June 3, 2024 4:40:58 PM
Attachments: [image001.jpg](#)

I approve.

Bob

From: Kyle Robillard <krobillard@gcpud.org>
Sent: Monday, June 3, 2024 2:47 PM
To: Bob Kakaley <bkakaley@gcpud.org>; Jesus Lopez <jlopez@gcpud.org>; Ron Alexander <ralexander@gcpud.org>
Cc: Emilie DeLong <Edelong@gcpud.org>
Subject: Contract 170-11949 - Supplying Pole Mounted Distribution Transformers - Commission Memo

Good afternoon,

Attached is the commission memo for Contract 170-11949 - Supplying Pole Mounted Distribution Transformers.

Please review this document and respond to this email with your approval to move forward for commission approval and award.

Also let me know if you have any questions/concerns with the document.

Thank you,

Kyle Robillard

Distribution Engineering

OFFICE 509.793.1576

EXT. 2203

Cell 509.750.3727



grantpud.org

Contract Documents 170-11949

Supplying Pole Mounted Distribution Transformers

for

Public Utility District No. 2
of Grant County, Washington

Bid Due Date: May 21, 2024

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INSTRUCTIONS TO BIDDERS

1. SUBMISSION OF BID

Sealed Bids shall be received by Public Utility District No. 2 of Grant County, Washington at the District's contracting offices at 154 A Street SE, Ephrata, Washington no later than 2:00 p.m. on May 21, 2024 for Supplying Pole Mounted Distribution Transformers as specified in Contract Documents 170-11949. Bids received after that time shall be rejected as non-responsive. **Bids will be opened on May 22, 2024 at 2:00 p.m. via Microsoft Teams video conference. The video conference will be the only manner by which the public can participate in the Bid opening. To participate in the Bid opening, please join the Teams meeting below:**

Microsoft Teams [Need help?](#)

[Join the meeting now](#)

Meeting ID: 222 758 647 999

Passcode: mv5HNv

Dial-in by phone

[+1 509-703-5291,,354801995#](#) United States, Spokane

[Find a local number](#)

Phone conference ID: 354 801 995#

The original and one copy of the Bid and all required Bidder's Data shall be delivered in a completely sealed opaque envelope properly addressed to:

Emilie DeLong, Procurement Officer
Public Utility District No. 2
of Grant County, Washington
154 A Street SE, Building E
Ephrata, Washington 98823

Phone: (509) 754-5088 Ext. 2469

E-mail: Edelong@gcpud.org

with the name of the Bidder written on the outside of the envelope and outer shipping container with the following:

Contract Documents: 170-11949
Bid for: Supplying Pole Mounted Distribution Transformers
Bid due date: May 21, 2024
Bid opening: May 22, 2024

Each Bid submitted shall constitute an offer to the District and shall be irrevocable for a period of 60 days following Bid opening. Contract Award, if any, shall be made within 60 days from the date of Bid opening.

2. COMPLIANCE WITH BID DOCUMENTS/BIDDER'S EXCEPTIONS

Bids shall be submitted on the Bid Form (see Exhibit "A") provided with the Contract Documents. All Bid proposals must be quoted in U.S. dollars. Any submittals or data which may be required

by the Contract Documents to support a Bid shall be attached to the Bid Form. The Bid Form must be properly executed and all blanks must be filled in. All Bids shall be submitted in strict compliance with the Contract Documents, Technical Specifications, and commercial requirements contained herein. Bids which do not comply with these specifications and requirements or which contain or are conditioned upon different terms provided by the Bidder may be rejected. Any Bid which attempts to disclaim liability for the Bidder's negligence or to disclaim liability for damage, which arises from Bidder's acts, to person or property, may be deemed a non-responsive Bid.

Bidder shall specifically identify by paragraph and page number and describe in detail in its Bid proposal each variation or departure from the Contract Document. If, in the District's opinion, the Bid proposal contains material variations in or departures from the commercial terms or functional design requirements, it may be rejected as being non-responsive.

3. DISCREPANCIES OR OMISSIONS IN CONTRACT DOCUMENTS

If a Bidder finds discrepancies in or omissions from the District's requirements, or if Bidder is in doubt as to the meaning of any provision in the Contract Documents, Bidder shall, at once, notify the District's Procurement Officer. If appropriate, a notice of addendum shall be posted to the District's ProcureWare site, mailed, e-mailed, or otherwise delivered to each person obtaining a set of Contract Documents. Each person requesting an interpretation shall be responsible for the delivery of their request to the District. The District shall not be bound by, nor responsible for, any other explanations or interpretations of the proposed documents other than those given in writing as set forth in this paragraph. Oral instructions, interpretations or representations shall not be binding upon the District.

4. DISTRICT'S RIGHT TO MODIFY CONTRACT DOCUMENTS

The District reserves the right to revise the Contract Documents by addendum prior to the date set for receiving Bids. The Bidder shall acknowledge the receipt of each addendum on the Bid Form to substantiate that its Bid is in accordance with the revised Contract Documents.

5. BIDDER'S WITHDRAWAL OR MODIFICATION OF BID

The Bidder may, without prejudice to itself, withdraw, modify or correct a proposal after it has been deposited with the District; provided such withdrawal, modification, or correction is filed with the District in writing, before the time set for receiving Bids. The original Bid, as modified, will be considered as the proposal submitted by the Bidder.

6. BID DELIVERY RESPONSIBILITY

It shall be the Bidder's responsibility to deliver the original copy of its properly executed Bid and Bid documents prior to the time for Bid receipt stated above. Bids will only be accepted via United Parcel Service, Federal Express, Bidder walk-in, or other carrier or courier service to the address referenced in Section 1 above; no Bids sent by United States Postal Service will be allowed. The District shall not accept or consider Bids transmitted by any electronic method. No Bid shall be considered which is received after the time stated above and shall be returned unopened. It shall be the sole responsibility of the Bidder to ensure that Bids are delivered at the Bid due date and time established in Section 1 above or by addendum. It shall also be the sole responsibility of the Bidder to ensure that Bids are properly addressed and labeled in accordance with Section 1 above.

7. BID EVALUATION

For the purposes of evaluating Bids, the District will consider a number of factors and will not evaluate based on cost alone. The District may let the Contract to the lowest responsible Bidder or Bidders based upon the plans and specifications, price and any other factors considered. Consideration will be given to the following:

- A. Total Bid Price.
- B. Bidder's Data (See Instruction No. 8 which follows). **NOTE: Any Bid which does not contain all Bidder's Data indicated in Section 8 as "required", if any, shall be rejected.**
- C. The District, in evaluating its requirements with regard to its financial obligations and power commitments to its customers, has determined that it must take every step prudent to ensure the prompt delivery of material described in the Contract Documents.

The District has determined that prompt delivery of material can be best assured if Bidders or the manufacturer who the Bidder is representing in their Bid, have and will continue to have establishments, which can provide for this material upon the North American continent. **In addition, no Bid shall be considered unless the Bidder, or the manufacturer that the Bidder is representing in its Bid, owns and maintains a manufacturing establishment on the North American continent, which provides a service establishment as specified.**

- D. Bidder's compliance with the provisions of Section SR-7, Price Adjustments. **Bids that take exception to these provisions may be grounds for rejection of Bid.**
- E. All elements or factors which will affect the final cost to or benefits to be derived by the District which may include, but not be limited to:
 - 1. The ability, capacity, and experience of the Bidder to perform the Contract or provide the material/equipment required;
 - 2. Whether the Bidder can deliver the required material/equipment within the time specified; and
 - 3. The quality of the Bidder's performance on previous contracts.

8. BIDDER'S DATA

The Bidder shall submit the following information with their sealed Bid:

- A. The Bidder shall have had a minimum of three years' experience in the successful delivering, servicing and maintenance of the type of equipment/material specified by these Contract Documents prior to submission of its Bid. Bidder shall provide a representative user's list with addresses, phone contacts, and material delivery dates to document the experience requirement. The Bidder shall be a factory franchised new equipment/material dealer with full parts, service and warranty capacity.
- B. Manufacturer, model and place of manufacture.

- C. Nearest parts and service outlet on the North American Continent.
- D. Dimensional drawings for each Bid Item.
- E. Paint finish data and test information sufficient to determine that the primer and finish coat meet the District's specification requirements.
- F. List of manufacturer's production tests.
- G. Safety Data Sheets (SDS) for transformer oil.
- H. Bayonet fuse assembly information
- I. **Required or Bid shall be rejected:** Completed Supplemental Bid Data Sheet for each Bid Item. The Bid Data Sheets are located at the end of each Technical Specification.

9. BID BOND

Each Bid shall be accompanied by a certified or cashier's check payable to the order of Public Utility District No. 2 of Grant County, Washington for a sum not less than 5% of the amount of the Total Bid Price, or accompanied by a Bid Bond on the form provided as Exhibit "B", in an amount not less than 5% of the Total Bid Price with a corporate surety licensed to do business in the State of Washington, conditioned that the Bidder shall pay the District as liquidated damages the amount specified in the bond, unless Bidder enters into a Contract in accordance with their Bid and furnishes the Payment and Performance Bond hereinafter mentioned within 10 days from Contract Award. If a Bid is rejected, or if a Bid is accepted and a Contract Form executed, any check shall be returned in each instance within a period of 10 days to the Bidder furnishing the same. If the Bid is one of the three low Bids, such check or bond shall be held by the District until Contract Documents are fully executed by the District and successful Bidder and the Payment and Performance Bond provided per Section 13. If a Bid Bond was provided, 30 days following this period, the original Bid Bond shall be destroyed unless the Surety or Contractor requests the return of the bond, in writing, prior to destruction. The Bidder's failure to submit its Bid Bond on the form attached to the Contract Documents may result in rejection of the Bid.

10. WAIVE MINOR ERRORS

The District reserves the right to waive minor errors or irregularities in any Bid if it appears to the District that such errors or irregularities in any Bid were made through inadvertence and are not material. Any errors or irregularities so waived must be corrected on the Bid on which they occur prior to the execution of any Contract Form which may be awarded thereon. No Bidder may withdraw their Bid after the hour set for the opening thereof, unless and until Contract Award has been delayed for a period exceeding 60 days after the date of Bid opening.

11. DISTRICT'S RIGHT TO REJECT BIDS

The District reserves the right to reject any and all Bids or to accept the Bid which in its sole and absolute judgment will under all circumstances best serve the interest of the District.

12. REFUSAL TO EXECUTE CONTRACT

Should the successful Bidder fail or refuse to execute a Contract Form and furnish a Payment and Performance Bond within 10 days following receipt of notification of Contract Award, the Bidder shall be considered to have abandoned the Bid and the check or Bid Bond in the amount of not less than 5% of the Bid delivered with the Bid shall thereupon be due and owing to the District as liquidated damages for such failure or refusal, and the District may thereupon award the Contract to any other Bidder.

13. PAYMENT AND PERFORMANCE BOND

To assure compliance with the terms of the Contract, the Contractor shall furnish a Payment and Performance Bond in an amount equal to 25% of the amount of the Contract Price, excluding Washington State Sales Tax, with surety or sureties who are acceptable to the District. This Payment and Performance Bond shall remain in force for a period of 365 days after final payment. Thirty days following this expiration, the original Payment and Performance Bond shall be destroyed unless the Surety or Contractor requests the return of the bond, in writing, prior to destruction. The Payment and Performance Bond must be on the form provided with these Contract Documents as Exhibit "D". The cost of the Payment and Performance Bond shall be included in the Total Bid Price.

14. PUBLIC RECORDS ACT

The District is subject to the disclosure obligations of the Washington Public Records Act of RCW 42.56. The Bidder expressly acknowledges and agrees that its Bid and any information Bidder submits with its Bid is subject to public disclosure pursuant to the Public Records Act or other applicable law and the District may disclose Bidder's proposal and/or accompanying information at its sole discretion in accordance with its obligations under applicable law.

15. CONTRACT DOCUMENTS

The Contract Documents consist of the documents listed in the Table of Contents.

The Contract shall bind both the District and the Contractor to all requirements set forth in the components of the Contract Documents stated above.

16. BIDDER QUESTIONS OR CLARIFICATIONS

Bidders are to submit questions or requests for clarification in writing to the District's Procurement Officer. If appropriate, response to Bidder's questions will be posted to the District's ProcureWare web site. The deadline to submit questions or request for clarification to the District shall be five business days prior to the time and date that Bids are due.

GENERAL CONDITIONS

GC-1. FORM OF CONTRACT

The form of the Contract shall be unit price type.

GC-2. DEFINITIONS

Whenever these words occur in the Contract Documents, they shall have the following meanings:

“BID” - The written proposal submitted by the Bidder on the Bid Form provided as Exhibit “A” in these Contract Documents.

“BID EVALUATION” - The criteria for determining the lowest responsive Bid received in response to the Contract Documents.

“BID ITEM” - A line item on the Bid Form which is included in these Contract Documents as Exhibit “A”.

“BID ITEM PRICE” - The correctly calculated (extended) price of all units of each Bid Item (Bid Unit Price times Estimated Quantity).

“BID UNIT PRICE” - The price per unit on a specific Bid Item.

“BIDDER” - Any person or entity who submits a Bid.

“CONTRACT AWARD” - Contract Award is defined as the date the successful Bidder is first notified in writing that the District has accepted the Contractor's Bid. Contract Award, if any, shall be made within 60 days after the date of Bid opening.

“CONTRACT DOCUMENTS” - The Contract Documents shall include all sections listed in the Table of Contents.

“CONTRACT PRICE” - The Total Bid Price plus any optional Bid Items included in the Contract Award and any properly approved Change Orders approved subsequent to Contract Award

“CONTRACTOR” - The successful Bidder who is awarded the Contract to supply the materials or equipment covered by these Contract Documents.

“DISTRICT” OR “OWNER” - Public Utility District No. 2 of Grant County, Washington.

“DISTRICT REPRESENTATIVE” - The employee designated by the District as its representative during the term of this Contract.

“PROMPT PAYMENT DISCOUNT” - As provided for on the Bid Form, Contractor may accept the prompt payment discount of 2% 10 days, which shall mean, if the District issues payment within 10 days, the payment due shall be reduced by 2%. A payment is considered made on the day it is mailed or is sent through electronic or wire transfer.

“SUBCONTRACTOR” - A contractor/supplier hired by the Contractor to supply materials, equipment or services related to these Contract Documents, if any.

“TOTAL BID PRICE” - The properly calculated total of the Bid Items on the Bid Form.

GC-3. SUSPENSION OF CONTRACT OTHER THAN FOR DEFAULT

The District may, at its sole option, by notice in writing to the Contractor suspend or terminate at any time the performance of any portion or this entire Contract. The Contractor shall use its best efforts to minimize costs associated with suspension or termination.

- A. Upon receipt of any such notice, the Contractor shall:
 - 1. Immediately discontinue work as specified in the notice;
 - 2. Place no further orders or subcontracts for material, services, or equipment with respect to suspended or terminated portion of the Contract;
 - 3. Promptly suspend or terminate all orders, subcontracts, and rental agreements to the extent they relate to performance of the portion of the Contract suspended or terminated;
 - 4. Assist District Representative or District in the maintenance, protection, and disposition of work in progress, plant, tools, equipment property, and materials acquired by Contractor or furnished by Contractor under this Contract; and
 - 5. Complete performance of the portion of the Contract which is not terminated.
- B. As full compensation for such suspension the Contractor shall be reimbursed for the following costs, reasonably incurred, without duplication of any item, to the extent that such costs directly result from such suspension of work:
 - 1. A standby charge, as determined to be equitable by the District Representative, to be paid to the Contractor during a period of suspension of work sufficient to compensate the Contractor for keeping, to the extent required in the notice, its organization and equipment committed to the work in a standby status;
 - 2. All reasonable costs, as determined to be equitable by the District Representative, associated with any demobilization and remobilization of the Contractor's plant, forces, and equipment;
 - 3. Any claim on the part of the Contractor for additional time or compensation shall be made within 10 days after receipt, by Contractor, of a notice to suspend work. Failure to submit a claim within the 10 day period shall constitute a waiver of any such claim; and
 - 4. In no event shall the amount to be paid the Contractor pursuant to this section exceed the Contract Price.
- C. Upon receipt of notice to resume suspended work, the Contractor shall immediately resume performance of the suspended portion of the Contract to the extent required in the notice. Any claim on the part of the Contractor for time or compensation shall be made within 10 days after receipt of notice to resume work and the Contractor shall submit a revised project schedule for review.
- D. Upon delivery of a written notice to the Contractor, the District may, without cause and without prejudice to any other right or remedy, elect to terminate the Contract. Upon receipt of any such notice, the Contractor shall take all appropriate steps in part A of this Section GC-3.

Upon any such termination, Contractor shall waive any claims for damages including Contractor's overhead, loss of anticipated profits, and all other inconvenience, expenses, damages, costs and lost profits whatsoever.

If such termination is effected after Contract Award, the District shall pay the reasonable, verifiable and directly attributable costs incurred by the Contractor in the preparation of Bidder's Bid plus 15% of such costs. If Contractor has commenced performance hereunder, the District shall pay the reasonable, verifiable and directly attributable costs incurred by the Contractor as determined by the physical progress of the work satisfactorily completed to date, plus 10% of the sum of all such costs; provided, said payment shall not in any event exceed the Contract Price hereunder. The payment of the District shall constitute full and complete satisfaction and settlement for the Contractor's overhead, anticipated profits, and all other inconvenience, expenses, damages, costs and lost profits whatsoever. The Contractor shall be entitled to no further payments whatsoever for the work.

Contractor shall submit within 30 days after receipt of notice of termination, a request for adjustment to the Contract Price in accordance with the above provisions. District Representative shall review, analyze, and verify such request, and upon District Representative's approval, the Contract shall be amended in writing accordingly.

Those provisions of the Contract that by their nature survive the Contract shall remain in full force and effect after such termination.

GC-4. TERMINATION FOR DEFAULT/NONCOMPLIANCE

A. Acts of Default

If Contractor fails in any material way to comply with any of the conditions or provisions of the Contract Documents or is unable to pay its debts as they mature or authorizes or takes any action under bankruptcy or reorganization, readjustment of debt, insolvency, liquidation or other similar laws or proceedings it shall be considered an act of default.

B. Consequences of Default

In the event of default, the District may immediately, without limiting any other remedy available to it in law or equity, withhold any amount otherwise due under the Contract. The District shall provide written notice of default. In the event the default can be cured, and Contractor fails to correct the default within 10 days after written notice of default, the District may terminate the Contractor's right to proceed with all or any portion of the work. The District's right to liquidated damages shall not in any manner limit any other remedy available to the District, including but not limited to, the District's right to terminate the Contractor's right to proceed.

C. Noncompliance

The Contractor shall, upon receipt of written notice of noncompliance with any provision of this Contract and the action to be taken, immediately correct the conditions to which attention has been directed. Such notice, when served on the Contractor or Contractor's representative, shall be deemed sufficient. If the Contractor fails or refuses to comply promptly, the District Representative may issue an order to suspend all or any part of the

work. When satisfactory corrective action is taken, an order to resume work shall be issued. No part of the time lost due to any such suspension order shall entitle the Contractor to any extension of time for the performance of the Contract or to reimbursement for excess costs or damages.

GC-5. ASSIGNMENT

The Contractor shall not assign this Contract or any interest in or part thereof, or any monies due or to become due hereunder, without the prior written approval of the District. Any costs to the District associated with the assignment may be deducted from amounts due to the Contractor.

GC-6. INDEMNITY

- A. Contractor shall defend, indemnify and hold harmless the District and its representatives (which shall be deemed to include the District's directors, officers, employees and agents) from and against any and all liabilities, claims, losses, damages or expenses of any type or kind, including reasonable legal fees, and expert witness fees, which may be incurred or sustained by the District or its representatives by reason of any act, omission, misconduct, negligence, or default on the part of the Contractor or arising in connection with the supplies, material or equipment to be furnished pursuant to these Contract Documents, or out of the processes or actions employed by, or on behalf of the Contractor in connection with the performance of the Contract. The Contractor shall, at its sole expense, promptly defend against any such claim or action, provided that the District or its representatives shall have notified the Contractor upon becoming aware of such claims or actions; and provided further that the Contractor's aforementioned obligations shall not apply to equipment, materials, or processes furnished or specified by the District. The Contractor shall have the right, in order to avoid such claims or actions, to substitute at its expense non-infringing equipment, materials, or processes, or to modify at its own expense such infringing equipment, materials and processes so that they become non-infringing, provided, that such substituted and modified equipment, materials, and processes shall meet all the requirements and be subject to all the provisions of the Contract.
- B. Contractor's indemnification obligation shall not apply to liability for damages arising out of bodily injury to persons or damage to property caused by the negligence of the District or its agents or employees and not attributable to any act or omission on the part of the Contractor. In the event of damages to person or property caused by or resulting from the concurrent negligence of District or its agents or employees and the Contractor or its agents or employees, the Contractor's indemnity obligation shall apply only to the extent of the Contractor's (including that of its agents and employees) negligence.
- C. Contractor acknowledges that by entering into a contract with the District, Contractor has mutually negotiated the above indemnity provisions with the District. Contractor's indemnity and defense obligations shall survive the termination or completion of the Contract and remain in full force and effect until satisfied in full.

GC-7. LAWS, REGULATIONS, PERMITS

The Contractor represents that it is familiar with, and shall be governed by and comply with, all federal, state and local statutes, laws, ordinances, and regulations including amendments and changes as they occur. The Contractor and any Subcontractors shall be responsible for ensuring

that its employees fully comply with the District's Code of Ethics, a copy of which is available at the District's offices.

All written instruments, agreements, specifications and other writing of whatsoever nature which relate to or are a part of this Contract shall be construed, for all purposes, solely and exclusively in accordance and pursuant to the laws of the State of Washington. The rights and obligations of the District and Contractor shall be governed by the laws of the State of Washington. Venue of any action filed to enforce or interpret the provisions of this Contract shall be exclusively in the Superior Court, County of Grant, State of Washington or the Federal District Court for the Eastern District of Washington at the District's sole option. In the event of litigation to enforce the provisions of this Contract, the prevailing party shall be entitled to reasonable legal fees in addition to any other relief allowed.

GC-8. DAMAGES

Any claims arising under the Contract by the Contractor shall be made in writing to the District Representative no later than 10 days after the beginning of the event or occurrence giving rise to the claim. Failure to make written claim prior to the time specified in the Contract Documents shall constitute waiver of any such claim.

GC-9. WARRANTY

The Contractor agrees that all materials and equipment furnished pursuant to the Contract shall be free from all inherent defects in design, workmanship and material and shall give proper and continuous service under all conditions of service required and specified or which may be reasonably inferred from the Contract Documents. The Contractor shall immediately upon receiving notice from the District repair or replace any materials or equipment which, under normal and proper use, prove defective within one year from the date of delivery to the District. The warranty provided herein is in addition to and not in lieu of manufacturer's standard warranty normally provided.

If at any time prior to the expiration of the warranty period, Contractor or District discovers any defect in such design, materials or workmanship, the Contractor shall, upon written notice from the District given within a reasonable time after discovery, correct such defects to the satisfaction of the District by redesigning, repairing or replacing the defective work at a time acceptable to District. All costs incidental to such corrective action including but not limited to removal, disassembly, reinstallation, reconstruction, re-testing and re-inspection as may be necessary to correct the defect or demonstrate that the previously defective work conforms to the requirements of the Contract shall be borne by the Contractor.

Contractor shall not be liable to the District either in contract or in tort (including negligence or strict liability) for consequential damages consisting of the District's loss of profits, its loss of revenue or its cost of replacement power.

The warranty requirements in this section are the minimum requirements for materials or equipment under this Contract. Any other warranty requirements specified in the Contract, including the Technical Specifications, are in addition to, and not in lieu of the minimum requirements specified herein.

GC-10. CHANGES IN WORK

Without invalidating the Contract, the District may make changes by altering, adding or deducting from the work, and/or make changes in the Contract Drawings and Technical Specifications requiring changes in the work and/or materials and equipment to be furnished under this Contract; provided such additions, deductions or changes are within the general scope of the Contract. Except as provided herein, no official, employee, agent or representative of the District is authorized to approve any change in this Contract and it shall be the responsibility of the Contractor before proceeding with any change, to satisfy itself that the execution of the written Change Order has been properly authorized on behalf of the District. The District's management has limited authority to approve Change Orders. The current level and limitations of such authority are set forth in District Resolution No. 8609 which may be amended from time to time. Otherwise, only the District's Board of Commissioners may approve changes to this Contract.

Charges or credits for the work covered by the approved changes shall be determined by one or more, or a combination of the following methods, at the District's option:

- A. Unit prices specified in the Bid Form.
- B. An agreed lump sum. When requested, Contractor shall provide a detailed proposal for evaluation by the District, including, as applicable:
 - 1. Detailed proposed labor categories, hours, and rates.
 - 2. Specific materials and quantities.
 - 3. Equipment and equipment hours.
 - 4. Administrative cost and profit.
- C. The actual cost related to the change of:
 - 1. Labor, including foreman, only for employees who will work directly on the work covered by the Change Order.
 - 2. Materials entering permanently into the work.
 - 3. The ownership or rental cost of plant and equipment during the time of use on the project.
 - 4. Power and consumable supplies for the operation of power equipment.
 - 5. Insurance.
 - 6. Social Security and old age and unemployment contributions.
 - 7. To the sum of Items 1, 2, 4, 5, and 6 inclusive, there shall be added a fixed fee of 15%. The fee shall be compensation to cover the cost of supervision, overhead, bond, profit and any other general expenses.

When a change is ordered by the District, as provided herein, a Change Order shall be executed by the District and the Contractor before any Change Order work is performed. The District shall not be liable for any payment to Contractor, or claims arising therefrom, for Change Order work which is not first authorized in writing as set forth in this section. All terms and conditions contained in the Contract Documents shall be applicable to Change Order work. Change Orders shall be issued on the form attached as Exhibit "E" and shall specify any change in time required for completion

of the work caused by the Change Order and, to the extent applicable, the amount of any increase or decrease in the Contract Price.

The District Representative may instruct the Contractor to make minor changes in the work where such changes are not inconsistent with the purposes of the Contract, do not involve any additional cost and shall not require an extension of the Contract completion date. The Contractor shall make no such changes without receipt of a District Instruction, Exhibit "G", setting forth the changes to be made. Contractor's compliance therewith shall constitute its acknowledgment that such changes shall not result in any claim for additional payment or extension of the Contract completion date. District Instructions, when issued, shall be in writing and signed by the District Representative.

If the Contractor believes the instruction shall result in additional costs or time extensions, Contractor shall promptly notify the District of the same and not proceed with the changes.

No waiver of any provision of the Contract, and no consent to departure there from, by either party, shall be effective unless in writing and signed by the waiving or consenting party, and no such waiver or consent shall extend beyond the particular case and purpose involved.

If Contractor believes that any requirement, direction, instruction, interpretation, determination, or decision of the District described in a Change Order entitles Contractor to an adjustment in the Contract Price or time for performance and Contractor refuses to execute the Change Order, then Contractor shall submit a claim as provided in Section GC-8 of this Contract. Notwithstanding the submission of any such claim, Contractor shall proceed without delay to perform the work described in the Change Order.

GC-11. PAYMENT

The Contractor may submit an invoice for payment following delivery of the specified equipment/material, which conforms to the Contract Documents. The invoice shall contain detailed information identifying the number of units of each Bid Item actually furnished multiplied by the applicable Bid Unit Price, as adjusted in accordance with Section SR-7. The invoice shall be submitted for District verification and approval. Payment will be made to the Contractor within 30 days after the District has inspected the equipment/material, received all required test documentation in accordance with Section SR-8, and has determined that it is in conformance with the Contract Documents. If accepted by the Contractor on the Bid Form and the District issues payment within 10 days, the payment due shall be reduced by 2%.

Invoices shall include the Contract number 170-11949 and be addressed as follows:

Public Utility District No. 2
of Grant County, Washington
Attn: Accounts Payable
PO Box 878
Ephrata, WA 98823

Phone: (509) 793-1450
E-mail: AccountsPayable@gcpud.org

GC-12. PAYMENTS WITHHELD

The District may withhold the whole or part of any certificate for payment to such extent as may be reasonably necessary to protect itself from loss on account of:

- A. Defective or damaged work not remedied or warranties not met.
- B. Claims filed or reasonable evidence indicating filing of claims against the Contractor.
- C. Failure of the Contractor to make payments properly to Subcontractors or for materials, labor, or equipment.
- D. A reasonable doubt that the Contract can be completed for the balance then unpaid.
- E. Damage to or loss of District-furnished materials or District property.
- F. Contractor's failure to meet any performance warranties required by the Contract Documents.

The Contractor shall provide a contact name, address, and email address to facilitate notification if any payment, or portion of any payment, is withheld for any of the reasons above, or for missing documentation or items incorrectly invoiced. Notification shall be made via email, or shall be mailed, properly addressed and stamped with the required postage to the person designated by the Contractor.

GC-13. INSPECTION

The District Representative, assistants and inspectors shall have access to all places where materials are being manufactured or prepared for use under these Contract Documents and they shall have full access to facilities for unrestricted inspection during working hours of such materials, equipment and work. The District Representative, assistants and inspectors shall be authorized to record their observations in any manner reasonable, including but not limited to recording by photographs.

The District Representative shall be kept informed of the production schedules so that inspections may be adequately performed. The Contractor shall give timely notice of any changes to the production schedule requiring inspection. Examination of questioned work may be ordered by the District Representative, and, if so ordered, the work must be uncovered or made accessible by the Contractor. If such work is found to be in accordance with the Contract Documents, the District shall pay the costs of examination and restoration. If such work is found not to be in accordance with the Contract Documents, the Contractor shall bear such cost and expedite such necessary corrections.

GC-14. CONFLICT AND PRECEDENCE/INTENT

- A. In the event there are any conflicting provisions or requirements in the component parts of the Contract, the several Contract Documents shall take precedence in the following order:
 - 1. Change Orders
 - 2. Contract Form

3. Addenda
 4. Specific Requirements
 5. General Conditions
 6. Technical Specifications
 7. Stock Catalog Pages
 8. Instructions to Bidders
 9. Payment and Performance Bond
 10. Bid Proposal
- B. The intent of the Contract Documents is to prescribe a complete work. Contractor shall furnish all labor, tools, equipment, transportation, supplies and incidentals required to provide the materials or equipment to be supplied under this Contract. The Contract Price shall be full pay for all materials or equipment required to be provided under this Contract.

GC-15. TAXES

- A. Except for the Washington State retail sales and use taxes as may be levied upon the Contract, pursuant to RCW Chapters 82.08 and 82.12, the Contract Price includes and the Contractor shall have the full exclusive liability for the payment of all taxes, levies, duties and assessments of every nature due and payable in connection with this Contract or its employees and Subcontractors performing work related to this Contract.
- B. Washington State retail sales tax and use taxes levied upon this Contract pursuant to RCW Chapters 82.08 and 82.12 are excluded from the rates and if applicable will be reimbursed as follows:
1. If the Contractor has, or is required to have a valid Washington State sales tax identification number, the identification number shall be furnished to the District upon request. The Contractor shall make payment of any Washington State retail sales and use taxes due and Contractor shall be reimbursed by the District for the same. Contractor shall be solely responsible for any interest or penalties arising from late or untimely payment of said taxes.
 2. If the Contractor is not required to have a valid Washington State sales tax identification number, it shall notify the District of the same. In such event, the District, after receiving proper invoices from Contractor, shall make payment of said Washington State retail sales and use taxes levied upon this Contract to the Washington State Department of Revenue.

GC-16. NON-WAIVER

No waiver of any provision of this Contract, or any rights or obligations of either party under this Contract, shall be effective, except pursuant to a written instrument signed by the party or parties waiving compliance, and any such waiver shall be effective only in the specific instance and for the specific purpose stated in such writing. The failure of either party to require the performance of any term of this Contract or the waiver of either party of any breach under this Contract shall not operate or be construed as a waiver of any other provision hereof, nor shall it be construed as a waiver of any subsequent breach by the other party hereto.

GC-17. DISTRICT REPRESENTATIVE'S STATUS, AUTHORITY AND PROTEST PROCEDURE

The District Representative shall represent the District. The District Representative has authority to stop the work whenever such stoppage may be necessary to ensure the proper execution of the Contract. The District Representative shall also have authority to reject all work, equipment, and materials which do not conform to the Contract and to decide questions which arise in the execution of the work.

Approval by the District Representative signifies favorable opinion and qualified consent. It does not carry with it certification, assurance of completeness, assurance of quality, nor assurance of accuracy concerning details, dimensions, and quantities. It is not an acceptance by the District or certification that Contractor has performed the Contract work correctly or according to Contract Documents. Such approval shall not relieve the Contractor from responsibility for errors or for deficiencies within its control.

All claims of the Contractor and all questions relating to the interpretation of the Contract, including all questions as to the acceptable fulfillment of the Contract on the part of the Contractor and all questions as to compensation, shall be submitted in writing to the District Representative for determination within the applicable time period specified in the Contract Documents.

All such determination and other instructions of the District Representative shall be final unless the Contractor shall file with the District Representative a written protest, stating clearly and in detail the basis thereof, within 10 days after the District Representative notifies the Contractor of such determination or instruction. The protest shall be forwarded by the District Representative to the District's General Manager, who shall issue a decision upon each such protest, and its decision shall be final. Pending such decision, the Contractor, if required by the District Representative, shall proceed with the work in accordance with the determination or instructions of the District Representative.

The District Representative may appoint assistants and inspectors to assist in determining that the work performed and materials furnished comply with Contract requirements. Such assistants and inspectors shall have authority to reject defective material and suspend any work that is being done improperly, subject to the final decisions of the District Representative, or to exercise such additional authority as may be delegated to them by the District Representative. All work done and all materials furnished shall be subject to inspections by the District Representative or inspector at all times during the work.

The District Representative and contact information for this Contract is listed below.

Kyle Robillard
Public Utility District No. 2
of Grant County, Washington
PO Box 878
Ephrata, WA 98823
(509) 754-5088, Ext. 2203
Krobillard@gcpud.org

GC-18. ACTIVITIES ON DISTRICT PREMISES

If Contractor or any of its Subcontractors or suppliers of any tier performs any activities on premises owned, leased, possessed or controlled by the District, Contractor shall:

- A. Take all precautions which are necessary to prevent injury to persons and damage to any property or the environment in connection with such activities;
- B. Release, defend, indemnify and hold harmless the District and its officers, agents, and employees from all claims, losses, harm, liabilities, damages, costs and expenses, including but not limited to reasonable attorney's fees that may arise in connection with such activities; and
- C. Maintain in effect at all times during performance of such activities Commercial General Liability insurance (including blanket contractual) with limits not less than \$1,000,000 per occurrence; automobile liability for all vehicles used under the contract for bodily injury, and property damage with limits not less than \$1,000,000 per accident; statutory workers' compensation; and employer's liability with limits not less than \$1,000,000. Without limiting the generality of the foregoing, Contractor assumes potential liability for acts brought by Contractor's employees, Subcontractors, or suppliers of any tier.
- D. Upon request, the Contractor shall promptly furnish to District such certificates of insurance and other evidence of the insurance required under this section naming the District as Additional Insured. The District shall have the right but not the obligation of prohibiting the Contractor or its Subcontractors from entering District premises until such certificates have been provided as evidence of compliance with these requirements.

SPECIFIC REQUIREMENTS

SR-1. SCOPE OF SUPPLY

The Contractor shall supply Pole Mounted Distribution Transformers manufactured in accordance with these Contract Documents.

The District is committing to purchase the distribution transformers specified in Section SR-2, however, the District shall have the unilateral right and option to purchase additional distribution transformers in accordance with Section SR-3.

SR-2. DELIVERY

The Contractor shall not commence any work under this Contract until after all of the following: (1) receipt of notification of Contract Award; (2) full execution of the Contract Form; (3) providing the required Payment and Performance Bond; and (4) receipt of the District issued purchase order.

Upon full execution of Contract, the District shall issue the initial purchase order and the awarded Contractor shall deliver the following units:

Bid Item No.	Voltage	Capacity (KVA)	Quantity	Delivered No Later Than	Delivery Location
1	7,620/13,200Y - 120/240	25	25	52 weeks after receipt of the District's initial purchase order	Ephrata
7	7,620/13,200Y - 277	25	25	52 weeks after receipt of the District's initial purchase order	Ephrata

Delivery of the Pole Mounted Distribution Transformers shall be within 52 weeks following notification of Contract Award. Delivery shall be F.O.B. the District's Ephrata and Moses Lake Warehouses. This shall mean that the Contractor will pay the cost of transportation to have the Pole Mounted Distribution Transformers delivered "free on board" to the following locations:

Ephrata Warehouse 154 A Street SE, Building E Ephrata, WA 98823	Moses Lake Warehouse 10216 Kinder Road Moses Lake, WA 98837
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It also shall mean that the title and risk of loss do not pass until the Pole Mounted Distribution Transformers has been inspected and moved from the conveyance.

SR-3. DISTRICT'S RIGHT AND OPTION TO PURCHASE AN ADDITIONAL DISTRIBUTION TRANSFORMERS

A. The District, as it deems necessary for its requirements, shall have the unilateral right and option to purchase, and the Contractor shall be required to furnish and deliver, additional distribution transformers of the type listed on the Bid Form. Such purchase shall be subject to the terms and conditions contained in these Contract Documents. The District may exercise its option to make such purchases at any time prior to December 31, 2025 by

issuing a written purchase order. Each purchase order shall specify the transformer(s) to be purchased, the F.O.B. delivery location (the District’s Ephrata Warehouse or Moses Lake Warehouse), and the required delivery date. In no event shall the delivery of the distribution transformers purchased in accordance with this section exceed the following:

1. Single phase, overhead, pole mount, Bid Item Nos. 1 through 15: 52 weeks from the purchase order date.
- B. With respect to the distribution transformers which the District may elect to purchase pursuant to Section SR-4.A, the pricing shall be at the Bid Unit Price specified on the Bid Form and adjusted according to the provisions of Section SR-7.
- C. Contractor understands and agrees that the District is only making a commitment to purchase the units specified in Section SR-2, but that the District shall have the unilateral right and option to purchase additional distribution transformers as specified in Section SR-3, but shall have no obligation of any type to make such additional purchase.

SR-4. SHIPPING AND NOTIFICATION INSTRUCTIONS

All materials and equipment shall be suitably packed to ensure against damage from weather or transportation and in accordance with the requirements of common carriers. See the Transportation and Handling section of the Technical Specification for additional information. The delivery address and Contract number shall be clearly marked on the outside of all packaging. Each shipment must be accompanied by a packing list, which shall reference the Contract number, the purchase order number and include item descriptions, part numbers, and quantities. Any bills of lading, shipping order or the like shall also contain the above listed information.

Advance notification of shipment of the equipment/material is required. Contractor shall notify each of the District's contacts below, 48 hours prior to delivery of shipment. Failure by the Contractor to provide the advance notification specified herein may result in delays in unloading and receipt. The costs of all such delays shall be charged to the Contractor's account.

For deliveries to the District’s Ephrata, WA Warehouse:

Name	Phone Number	E-Mail
Gus Mihelich Warehouse Foreman	(509) 754-5088 Ext. 2268	Amihelich@gcpud.org
Kyle Robillard, District Representative	(509) 754-5088 Ext. 2203	Krobillard@gcpud.org

For deliveries to the District’s Moses Lake, WA Warehouse:

Name	Phone Number	E-Mail
Gary Carpenter, Warehouse Foreman	(509) 754-5088 Ext. 3213	Gcarpen@gcpud.org
Kyle Robillard, District Representative	(509) 754-5088 Ext. 2203	Krobillard@gcpud.org

District receiving hours are Monday through Thursday, 6:30 a.m. – 12:00 p.m. and 12: 30 p.m. – 3:30 p.m. No deliveries will be received on District observed holidays or during any other times unless specific prior arrangements have been made with the District's Warehouse Foreman. District observed holidays are as follows: New Year's Day, President’s Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day. If a holiday falls on Saturday, it will be observed on the previous Friday. If a holiday falls on a Sunday, it will be observed on the following Monday.

SR-5. CODES AND STANDARDS

Design and manufacture of the specified distribution transformers shall be in accordance with applicable sections of the latest revision of the codes and standards denoted in the Technical Specifications.

SR-6. APPROVED MANUFACTURERS

The District's stock catalog pages, which are attached and made a part of the Technical Specifications, list prior approved manufacturers for supplying distribution transformers. Only currently approved manufacturers and factories shall be considered for supplying distribution transformers as specified in these Contract Documents.

SR-7. PRICE ADJUSTMENTS

A. For any distribution transformers identified on the Bid Form which the District purchases in accordance with Sections SR-2 and SR-3, the Contractor shall furnish and deliver such distribution transformers at the Bid Unit Price specified for the particular Bid Item in Contractor’s original Bid Form as adjusted by a percentage amount equal to the percentage increase or decrease of the Base Index compared to the most current final index as of 26 weeks after the date the District issues a purchase order to purchase such distribution transformers.

B. For the purpose of this section, the following definitions apply:

1. The price adjustments shall be based on the changes in the “Power and Distribution Transformers, except parts” as reported monthly by the US Bureau of Labor Statistics in the Producers Price Index (PCU335311335311). The table can be found at the following link:

<https://beta.bls.gov/dataViewer/view/timeseries/PCU335311335311;jsessionid=64266573AC1D6F77CE25A0D49A62F4A6>

For this Contract, the Base Index shall be 430.543 (March 2024 Final).

2. The methodology for calculating the Adjusted Bid Unit Price shall be as follows:

$$ABUP = (FI/BI) \times BUP$$

Where:

- ABUP Adjusted Bid Unit Price
- BI Base Index
- BUP Original Bid Unit Price specified on the Bid Form
- FI Final Index (the most current final index available on the date the District issues a purchase order)

Example:

BI = 430.543
BUP = \$1,234.56
FI = 450.2

ABUP = $(450.2/430.543) \times \$1,234.56$
ABUP = \$1,291.00 (rounded to nearest dollar)

- C. The following general conditions shall apply:
1. Price adjustments shall be rounded to the nearest U.S. Dollar (\$1.00).
 2. Should the index specified above be discontinued, or should the basis of its calculation be modified, other appropriate index or indices may be substituted by mutual agreement of the District and the successful Bidder via Change Order in accordance with Section GC-10.

SR-8. CERTIFIED TEST REPORTS

Certified test reports shall be furnished to the District at time of delivery or invoicing of transformers. Invoices must reference the serial number of each transformer and Bid Item No. No payment will become due until proper serial numbers and the corresponding certified test reports for all units of each purchase order line item have been received by the District.

SR-9. PHYSICAL SECURITY

If any performance under this Contract is to be conducted on District facilities or worksites, it shall be the responsibility of the Contractor to ensure that its employees and those of its Subcontractors are informed of and abide by the District's Security Policies as if fully set out herein a copy of which shall be provided to the Contractor by the District Representative at the preconstruction meeting or prior to beginning work. Without limiting the foregoing, Contractor and its employees shall be required to:

- A. Keep all external gates and doors locked at all times and interior doors as directed.
- B. Visibly display ID badges on their person at all times.
- C. Stay out of unauthorized areas or in authorized areas outside of authorized work hours, without express authorization from the District.
- D. Provide proper notification to the appropriate parties, and sign in and out upon entry and exit to secured locations. If unsure of who to notify, Contractor shall contact the District Representative.
- E. Immediately notify the District if any of Contractor's employees no longer need access or have left the Contractor's employment.
- F. Immediately report any lost or missing access device to the District Representative. A minimum charge will be assessed the Contractor in the amount of \$50.00 per badge and the fee for lost or non-returned keys may include the cost to re-key the plant facilities. The Contractor is strictly prohibited from making copies of keys.

- G. Not permit 'tailgating' through any controlled access point (i.e. person(s), authorized or unauthorized, following an authorized person through an entry point without individual use of their issued ID badge or key).
- H. Return all District property, including but not limited to keys and badges, to the District Representative when an individual's access to the facility is no longer needed.
- I. Guest Wireless: The District provides Guest Wireless Internet access to contractors and vendors that need to conduct business in support of the District from personally owned mobile devices such as laptops and smart phones. Contractor personnel are responsible for exercising good judgment regarding appropriate use of information, electronic devices, and network resources.

The Contractor and any Subcontractors shall comply with the safety requirements of these Contract Documents and all District policies pertaining to COVID-19 located at <https://www.grantpud.org/for-contractors>.

The District reserves the right to conduct or to require Contractor to conduct criminal background checks on its employee(s) before granting such individuals access to restricted areas of District facilities or Protected Information. Criminal background checks may be conducted in such depth as the District reasonably determines to be necessary or appropriate for the type of access to be granted. The cost of such background checks shall be borne by the Contractor.

Contractor's personnel accepting clearances, superintendents and foreman will be required to attend a safe clearance procedure training class and Contractor's orientation class prior to starting field work. Classes may last up to two hours.

SR-10. SECURITY, SAFETY AWARENESS TRAINING, DAM SAFETY AWARENESS TRAINING, AND TRANSMISSION AND DISTRIBUTION ACCESS TRAINING

Prior to receiving access to any District facilities, all Contractors, Contractor's employees, Subcontractors and Subcontractor's employees, material suppliers and material supplier's employees, or any person who will be engaged in the work under this Contract that requires access to District facilities, shall be required to take and pass the District's Security and Safety Awareness training before being issued a security access badge to access District facilities. Under no circumstances will the failure of any Contractor or Subcontractor employee to pass the required training, be grounds for any claim for delay or additional compensation.

The Safety and Security Awareness training is available online and is a 20-30 minute training. The training is located at: <https://www.grantpud.org/for-contractors>. All contractors and their employees are required to successfully complete Safety and Security Awareness training before coming onsite. The Security and Safety certificates should be emailed directly to SecurityTrainingCerts@gcpud.org.

District Representative shall ensure that Contractor's employees, subcontractor's and subcontractor's employees have completed and submitted the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted before any security access badges will be issued.

If applicable, Dam Safety Awareness Training is required for Contractors who are performing work in and around Priest Rapids and Wanapum Dams and are badged. The training is available online

only and is a 20-30 minute training. Contractor shall ensure that its employees, Subcontractors and Subcontractor's employees have completed, passed and printed the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted to the District Representative before any security access badges will be issued.

If applicable, Transmission and Distribution Access Training is required for Contractors, or their Subcontractors, who may hold a clearance or hotline hold order as part of performance of work under this Contract. The training is available online only and is a 20-30 minute training. Contractor shall ensure that its employees, Subcontractors and Subcontractor's employees have completed, passed and printed the certificate of completion for the training in a timely manner to avoid any delay in execution of the work. All such certificates shall be submitted to the District Representative before any security access badges will be issued.

If you are uncertain which of the above courses you or your employees must complete, please contact your District Representative.

TECHNICAL SPECIFICATIONS

The Technical Specifications will be posted as a separate document on the District's ProcureWare website.

EXHIBIT “A” - BID FORM

COMPANY NAME OF BIDDER: _____
 (Full Legal Name)

MANUFACTURER: _____

TO: Public Utility District No. 2
 of Grant County, Washington
 154 A Street SE, Building E
 Ephrata, Washington 98823

Having carefully examined Contract Documents, including any Technical Specifications and Contract Drawings as well as the premises and conditions affecting the delivery, the undersigned hereby proposes to furnish and deliver the specified equipment/material in strict accordance with these Contract Documents for the price(s) indicated below.

As evidence of good faith, a certified check, Cashier's Check or a Bid Bond in an amount not less than 5% of Total Bid Price is attached hereto. The undersigned understands and hereby agrees that should the following offer be accepted and the undersigned should fail or refuse to enter into a Contract and furnish the required Payment and Performance Bond, the undersigned's Certified Check, Cashier's Check or an amount equal to 5% of the total amount Bid shall be forfeited to the District as liquidated damages.

The Total Bid Price (calculated total of Bid Item Prices 1 through 15) shall be used in the Bid Evaluation. A price must be placed on each blank or the Bid shall not be considered. In case of an error in addition, the correctly calculated total of the Bid Item Prices (Estimated Quantity times Bid Unit Price) shall prevail.

Bid Item No.	Description	Unit Type	Estimated Quantity	Bid Unit Price	Bid Item Price
1	Stock No. 69311125, 25kVA, Pole mount, 7,620/13,200Y - 120/240 volt, T-type. Per Technical Specifications 16321.1C and Stock Catalog Page 69311115.	Each	250	\$	\$
2	Stock No. 69311137, 37.5kVA, Pole mount, 7,620/13,200Y - 120/240 volt, T-type. Per Technical Specifications 16321.1C and Stock Catalog Page 69311115.	Each	150	\$	\$
3	Stock No. 69311140, 50kVA, Pole mount, 7,620/13,200Y - 120/240 volt, T-type. Per Technical Specifications 16321.1C and Stock Catalog Page 69311115.	Each	60	\$	\$

4	Stock No. 69311142, 75kVA, Pole mount, 7,620/13,200Y - 120/240 volt, T-type. Per Technical Specifications 16321.1C and Stock Catalog Page 69311115.	Each	50	\$	\$
5	Stock No. 69311144, 100kVA, Pole mount, 7,620/13,200Y - 120/240 volt, T-type. Per Technical Specifications 16321.1C and Stock Catalog Page 69311115.	Each	25	\$	\$
6	Stock No. 69311146, 167kVA, Pole mount, 7,620/13,200Y - 120/240 volt, T-type. Per Technical Specifications 16321.1C and Stock Catalog Page 69311115.	Each	25	\$	\$
7	Stock No. 69315125, 25kVA, Pole mount, 7,620/13,200Y - 277 volt, T-type. Per Technical Specifications 16321.1C and Stock Catalog Page 69315115.	Each	250	\$	\$
8	Stock No. 69315137, 37.5kVA, Pole mount, 7,620/13,200Y - 277 volt, T-type. Per Technical Specifications 16321.1C and Stock Catalog Page 69315115.	Each	200	\$	\$
9	Stock No. 69315140, 50kVA, Pole mount, 7,620/13,200Y - 277 volt, T-type. Per Technical Specifications 16321.1C and Stock Catalog Page 69315115.	Each	75	\$	\$
10	Stock No. 69315142, 75kVA, Pole mount, 7,620/13,200Y - 277 volt, T-type. Per Technical Specifications 16321.1C and Stock Catalog Page 69315115.	Each	50	\$	\$
11	Stock No. 69315144, 100kVA, Pole mount, 7,620/13,200Y - 277 volt, T-type. Per Technical Specifications 16321.1C and Stock Catalog Page 69315115.	Each	30	\$	\$
12	Stock No. 69315146, 167kVA, Pole mount, 7,620/13,200Y - 277 volt, T-type. Per Technical Specifications 16321.1C and Stock Catalog Page 69315115.	Each	25	\$	\$

13	Stock No. 69321225, 25kVA, Pole mount, 7,200/12,470Y - 120/240 volt, G-type. Per Technical Specifications 16321.1C and Stock Catalog Page 69321215.	Each	10	\$	\$
14	Stock No. 69321237, 37.5kVA, Pole mount, 7,200/12,470Y - 120/240 volt, G-type. Per Technical Specifications 16321.1C and Stock Catalog Page 69321215.	Each	10	\$	\$
15	Stock No. 69321240, 50kVA, Pole mount, 7,200/12,470Y - 120/240 volt, G-type. Per Technical Specifications 16321.1C and Stock Catalog Page 69321215.	Each	10	\$	\$
TOTAL BID PRICE					\$

Prices are F.O.B. the location specified in the Contract Documents. The Total Bid Price includes the cost of the Payment and Performance Bond required by Contract Documents but do not include Washington State and Local Taxes.

The above quantities are estimated quantities. Payment shall be made by Bid Item based on the actual quantity of the Bid Items completed satisfactorily, up to the amount of the Contract Price. **The undersigned acknowledges and understands the District is committing to purchase the units and quantities listed in SR-2 only and may terminate this Contract after that point without incurring any additional cost (see Section SR-3).** Yes ___ No ___

Prompt Payment Discount of 2% 10 days (see Section GC-2). Bidder understands and accepts the Prompt Payment Discount. Yes ___ No ___

Bidder has enclosed a Cashier's Check, Certified Check or Bid Bond in accordance with Instructions to Bidders Section 9. Yes ___ No ___

Bidder shall deliver all materials/equipment in accordance with Sections SR-2 and SR-3. Yes ___ No ___

Bidder (full legal name):	
Street Address:	
Mailing Address:	
City, State, and Zip Code:	
Phone:	
Email:	

The District uses DocuSign to sign the final Contract Form following Contract Award. Please provide the following information for the person who will be signing the final Contract Form in the event you are the successful Bidder.

Name: _____ Title: _____ Email: _____

Washington State Unified Business Identifier (UBI) No.	
Washington State Sales Tax ID Number	

We hereby certify that we are not required to have a Washington State Sales Tax Identification Number for this work:

Attached hereto is the Bid proposal and all Bidder's Data required in support of this Bid.

Addendum Nos. (list all) _____ have been received and have been considered in preparing this Bid.

Signature: _____ Title: _____

Name (Print): _____ Date: _____
 Authorized Representative

Location or Place Executed (City and State): _____

Note: Failure to sign the Bid Form above shall result in rejection of the Bid. Digital signatures are not allowed on the Bid Form.

EXHIBIT "B" - BID BOND

KNOW ALL MEN BY THESE PRESENTS: That we _____ (hereinafter called "the Principal"), as Principal, and _____ duly licensed for the purpose of making, guaranteeing or becoming sole surety upon bonds or undertakings required or authorized by the laws of the State of Washington, as Surety, are held and firmly bound unto PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY, WASHINGTON (hereinafter called "the Obligee") in the penal sum of \$ _____ lawful money of the United States of America, for the payment of which, well and truly to be made, we hereby bind ourselves and each of our successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the Obligee shall make any award to the Principal for _____ according to the terms of the proposal or Bid made by the Principal therefore, and the Principal shall duly make and enter into a contract with the Obligee in accordance with the terms of said proposal or Bid and award and shall give bond for the faithful performance thereof with the _____, as Surety, or with other Surety or Sureties approved by the Obligee, or if the principal shall, in case of failure so to do, pay to the Obligee the penal amount of the deposit specified in the call for Bids, then this obligation shall be null and void; otherwise it shall be and remain in full force and effect, and the Surety shall forthwith pay and forfeit to the Obligee, as penalty and liquidated damages, the amount of this bond.

IN WITNESS WHEREOF, said Principal and said Surety have caused these presents to be duly signed and sealed this _____ day of _____, 20__.

PRINCIPAL

SURETY

Signature

Signature

Print Name

Print Name

* Bidder shall attach Power of Attorney for person signing on behalf of Surety.

EXHIBIT "C" - CONTRACT FORM

This Agreement, effective upon full execution, is by and between Public Utility District No. 2 of Grant County, Washington ("District") and Full Legal Name of Contractor ("Contractor");

WITNESSETH:

That parties hereto for the considerations set forth in the Contract Documents agree as follows:

1. SCOPE OF WORK - The Contractor agrees to furnish Pole Mounted Distribution Transformers in the manner and form provided by the Contract Documents 170-11949 made a part hereof, entitled Supplying Pole Mounted Distribution Transformers.
2. DELIVERY - The Contractor shall deliver the equipment/materials, F.O.B. the District's Ephrata and Moses Lake Warehouses. The Contractor shall deliver the equipment/materials on or before the dates specified in these Contract Documents; failure to do so may result in damage to the District.
3. PAYMENT - The District agrees to pay the Contractor for the equipment/materials to be provided the not to exceed sum of \$ _____, subject to the Prompt Payment Discount provision (see Section GC-2), plus applicable Washington State Sales Tax in accordance with the Contract Documents.
4. PAYMENT AND PERFORMANCE BOND - The Contractor shall furnish in favor of the District, a Payment and Performance Bond as required by the Contract Documents, and this Contract shall not obligate the District until such Payment and Performance Bond has been tendered.

The parties to this Agreement have caused it to be executed on the dates indicated below. This Agreement may be executed in counterparts, each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

Public Utility District No. 2
of Grant County, Washington

Full Legal Name of Contractor

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT "D" - PAYMENT AND PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, That _____
of _____
, (hereinafter called the "Principal"), and _____,
as Surety, are jointly and severally held and bound unto PUBLIC UTILITY DISTRICT NO. 2 OF GRANT
COUNTY, WASHINGTON (hereinafter called the "District"), in the sum of \$_____ for the
payment of which we jointly and severally bind ourselves, our heirs, executors, administrators and assigns,
and successors and assigns, firmly by these presents.

This bond is executed pursuant to and compliance with Chapter 39.08, Revised Code of
Washington, and all rights and remedies under this bond shall be determined in accordance therewith.

THE CONDITION of this bond is such that, WHEREAS, the said Principal herein, executed a
certain contract with the District, by the terms, conditions and provisions of which contract the said
Principal herein, agrees to furnish all material and do certain work, to-wit:
_____ per the
Contract Documents made a part of said contract, which contract as so executed is hereunto attached, is
now referred to and by reference is incorporated herein and made a part hereof as fully for all purposes as
if here set forth at length.

NOW, THEREFORE, if the Principal herein shall faithfully and truly observe and comply with the
terms, conditions and provisions of said contract in all respects, including all guarantees and warranties
arising thereunder, and shall well and truly do and perform all matters and things by it undertaken
to be performed under said contract, upon the terms proposed therein and within the time prescribed therein,
or within such extensions of time as may be granted under said contract and shall hold the District harmless
from all costs and damages (including reasonable legal fees) which it may incur by reason of any failure to
do so, and shall fully reimburse and repay the District for all expense which it may incur in making good
any such failure of performance on the part of the Principal, and shall pay all laborers, mechanics, and
subcontractors and material suppliers, and all persons who supply such person or persons, or subcontractors,
with provisions and supplies for the carrying on of such work and shall fully reimburse the District for any
excess in cost of construction over the cost set in the contract and any amendments thereto, occasioned by
any default of the Principal under the contract and any amendments thereto, then this obligation shall be
null and void, but otherwise shall remain in full force and effect.

No prepayment or delay in payment and no change, extension, addition, or alteration of any
provision of the Contract agreed to between the Contractor and the District, and no forbearance on the part
of the District, shall operate to relieve surety from any liability on this bond, and consent to make these
alterations without further notice to or consent by the surety is hereby given.

The Surety for value received agrees that no change, extension of time, alteration or addition to the
terms of the Contract, the specifications accompanying the Contract, or to the work to be performed under
the Contract shall in any way affect its obligation on this bond, except as provided herein, and waives notice
of any change, extension of time, alteration or addition to the terms of the Contract or to the work performed.
The Surety agrees that modifications and changes to the terms and conditions of the Contract that increase
the total amount to be paid to the Principal shall automatically increase the obligation of the Surety on the
bond and notice to Surety is not required for such increased obligation.

Dated this _____ day of _____, 20__.

"PRINCIPAL"

Full legal company name

Signature

Print name

"SURETY"

Full legal company name

Signature

Print name

Address of local office and agent, and home
offices of Surety Company:

* Contractor shall attach Power of Attorney for person signing on behalf of Surety.

EXHIBIT "E" - CHANGE ORDER

NO. __

Pursuant to Section GC-10, the following changes are hereby incorporated into this Contract:

- A. Description of Change:

- B. Time of Completion: The revised delivery date shall be _____.
OR
 The delivery date shall remain _____.

- C. Contract Price Adjustment: As a result of this Change Order, the not to exceed Contract Price shall remain unchanged (be increased/decreased by the sum of \$_____ plus sales tax). This Change Order shall not provide any basis for any other payments to or claims by the Contractor as a result of or arising out of the performance of the work described herein. The new total revised maximum Contract Price is \$_____, including changes incorporated by this Change Order.

- D. Except as specifically provided herein, all other Contract terms and conditions shall remain unchanged.

Public Utility District No. 2
of Grant County, Washington

Full Legal Name of Contractor

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

EXHIBIT “F” – STOCK CATALOG PAGES

The Stock Catalog Pages will be posted as a separate document on the District’s ProcureWare website.

EXHIBIT "G" – DISTRICT INSTRUCTIONS

No. _____

Contract No.:	170-11949	Drawing No. (if applicable):	
Project Name:			

This Instruction is issued in accordance with the terms and conditions of the Contract Documents as:

- 1. An interpretation of Contract Documents, or
- 2. An order to proceed immediately with minor changes not affecting Contract Price or time for completion of the work.

INSTRUCTION:

Sample Only

DO NOT PROCEED with the Instruction 1 or 2 above if you believe this Instruction shall provide the basis for a claim or increase in the Contract Price or time for completion of the work. By signing this Instruction, Contractor hereby agrees that as a result thereof, there shall be no change in Contract Price or time of completion and waives any claim relating thereto.

RECEIPT ACKNOWLEDGED AND INSTRUCTION ACCEPTED:

Public Utility District No. 2
of Grant County, Washington

Full Legal Name of Contractor

Accepted By: _____

Accepted By: _____

Name of Authorized Signature
Title

Name of Authorized Signature
Title

Date: _____

Date: _____

COMMERCIAL EVALUATION

Contract No.:	170-11949	Contract Title:	Supplying Pole Mounted Distribution Transformers
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Bid Opening Date		05/22/2024	
Total No. of Bidders:		3	
Was prequalification required for bidding?		No	
No. of potential Bidders who obtained the Bid documents:		33	
Was this Bid advertised in the newspaper?	Yes	If yes, where?	Columbia Basin Herald
Addenda issued?	No	If yes, how many	N/A

Additional Information

15%: \$3,477,197.50

Cost Estimate:	\$3,023,650.00
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Bidders

Name of Bidder:	Stuart C Irby Co. dba Irby Electrical Utilities		
Total Bid Price:	\$3,103,215.00	Bid Security:	Bid Bond
Signature Certification:	NA	Delivery / Completion:	As required
Addendum Received:	N/A	Bidder's Data Provided:	Yes
Commercially Compliant?	Yes	Technically Compliant?	Yes

Additional Information:

Quoting Central Moloney Supplemental Bid Data Sheets provided
--

Name of Bidder:	Anixter/Wesco		
Total Bid Price:	\$3,322,655.00	Bid Security:	Bid Bond
Signature Certification:	NA	Delivery / Completion:	As required
Addendum Received:	N/A	Bidder's Data Provided:	Yes
Commercially Compliant?	Yes	Technically Compliant?	Yes

Additional Information:

Quoting Central Moloney Supplemental Bid Data Sheets provided
--

Name of Bidder:	General Pacific		
Total Bid Price:	\$4,199,250.00	Bid Security:	Bid Bond
Signature Certification:	NA	Delivery / Completion:	As required
Addendum Received:	N/A	Bidder's Data Provided:	Yes
Commercially Compliant?	No (see below)	Technically Compliant?	No (see add'l information)

Additional Information:

-Quoting Ermco -Total Bid Price exceeds Engineers Estimate by more than 15% -Multiple exceptions taken by Ermco, including exception to SR-7 Price Adjustments, which may be grounds for rejection of Bid in accordance with ITB 7.D.

Name of Bidder:			
Total Bid Price:	\$	Bid Security:	Choose an item.
Signature Certification:	NA	Delivery / Completion:	Choose an item.
Addendum Received:	Choose an item.	Bidder's Data Provided:	Choose an item.
Commercially Compliant?	Choose an item.	Technically Compliant?	Choose an item.

Additional Information:

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