

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

March 10, 2020

The Commission of Public Utility District No. 2 of Grant County, Washington, convened at 10:00 a.m. via Microsoft Teams Meeting / +1 509-703-5291 Conference ID: 868 615 52# with the following Commissioners present: Tom Flint, President; Larry Schaapman, Vice-President, Judy Wilson, Secretary; and Nelson Cox, Commissioner. Dale Walker was absent due to District related travel.

A round table discussion was held regarding the following topics: status inquiry regarding a Desert Aire solar project; release of the Columbia River System Operation Draft Environmental Impact Statement; Tax Parity Bill update; and the COVID-19 emergency response plan.

John Mertlich, Senior Manager of FP&A, and Lisa Stites, Senior Financial Analyst, presented the Strategic Plan Dashboard review.

Brett Lenz, Cultural Resources Manager, presented the Cultural Resources Program report.

The Commission recessed at 10:30 a.m.

The Commission resumed at 10:35 a.m.

Tom Dresser, Fish & Wildlife Manager, presented the Fish & Wildlife report.

Laurie Tish, Moss Adams, Partner, provided the Moss Adams Entrance report.

The Commission recessed at 11:20 a.m.

The Commission resumed at 11:30 a.m.

An executive session was announced at 11:30 a.m. to last until 12:05 p.m. to discuss potential litigation with legal counsel present pursuant to RCW 42.30.110(1)(i) and performance of a public employee with legal counsel present pursuant to RCW 42.30.110(1)(g). The executive session concluded at 12:05 p.m. and the regular session resumed.

The Commission recessed at 12:05 p.m.

The Commission resumed at 1:00 p.m.

Rob Skordas, USBR Deputy Regional Director; Roger Sonnichsen, Quincy Columbia Basin Irrigation District; and Craig Simpson, East Columbia Basin Irrigation District; expressed concern with Grant PUD's Cost of Service model, specifically the inclusion of the Return on Equity component. Further, Mr. Skordas requested a face-to-face meeting with Grant PUD Commissioners to allow for additional discussion of the proposed model.

Neal Gschwend, Legal Counsel, Bonneville Power Administration, spoke in opposition to the proposed Rate of Return and noted detailed written comments submitted via email on March 10, 2020. In addition, Bonneville Power requested Grant PUD not approve any rates based upon the current Cost of Service model.

Rhyan Reid, Moses Lake, expressed appreciation to Grant PUD staff and spoke in favor of Resolution No. 8940 amending Rate Schedule No. 17.

Correspondence was noted received by Bonneville Power Administration regarding concerns with the Return on Rate Base component of Grant PUD's Cost of Service Study.

Motion was made by Mr. Schaapman and seconded by Mr. Cox excusing the absence of Commissioner Walker. After consideration, the motion was approved by unanimous vote of the Commission.

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

Payment Number	100512	through	100853	\$7,118,687.17
Payroll Direct Deposit	155079	through	155757	\$1,817,613.13
Payroll Tax and Garnishments	20200227A	through	20200227B	\$807,307.51

Meeting minutes of February 25, 2020.

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

Resolution No. 8940 relative to amending Rate Schedule No. 17 was presented to the Commission. Motion was made by Mr. Cox and seconded by Mr. Schaapman to approve Resolution No. 8940. After consideration, the motion was passed by unanimous vote of the Commission.

RESOLUTION NO. 8940

A RESOLUTION AMENDING RATE SCHEDULE NO. 17

Recitals

1. Pursuant to RCW 54.16.040, Grant PUD is authorized to regulate and control the use, distribution, rates, service, charges, and price of electric energy;
2. The Commission established Rate Schedule No. 17 with the adoption of Resolution No. 8891 on August 28, 2018; and
3. The General Manager and Grant PUD staff recommend amending Grant PUD Rate Schedule No. 17 as set forth in Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington that effective April 1, 2020 Rate Schedule No. 17 is hereby effective as set forth in Exhibit A.

BE IT FURTHER RESOLVED that as of April 1, 2020, Resolution No. 8891 is hereby superseded.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 10th day of March, 2020.

Motion was made Mr. Schaapman and seconded by Mr. Cox authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Contract 130-08941 with Telvent dba Schneider Electric in an amount not-to-exceed \$1,404,148.00. After consideration, the motion passed by unanimous vote of the Commission.

The Commissioners reviewed future agenda items.

The Commission calendar was reviewed.

Bob Brill, Economist, provided a Transmission Return on Equity report.

Jesus Lopez, Senior Manager of Power Delivery Engineering, provided a T&D System Deficiency Study report.

Trade Association / committee reports were reviewed.

There being no further business to discuss, the Commission adjourned at 3:05 p.m. on March 10 and reconvened on Monday, March 23 at 10:00 a.m. at the Port of Moses Lake office, 7810 Andrews NE Suite 200, Moses Lake, Washington for the purpose of attending a Port of Moses Lake meeting and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Nelson Cox and Larry Schaapman. A copy of the notice of adjournment was posted near the door outside the Commission room.

There being no further business to discuss, the Commission adjourned at 11:00 a.m. on March 23 and reconvened on Monday, March 23 at 1:00 p.m. at the Grant PUD Main Headquarters Building, 30 C Street SW, Ephrata, Washington for the purpose of holding an executive session and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Dale Walker, Judy Wilson, Nelson Cox and Larry Schaapman. A copy of the notice of adjournment was posted near the door outside the Commission room.

There being no further business to discuss, the March 10 meeting officially adjourned at 5:00 p.m. on March 23, 2020.

ATTEST:

/s/

Judy Wilson, Secretary



/s/

Tom Flint, President

/s/

Larry Schaapman, Vice President

ABSENT

Dale Walker, Commissioner

/s/

Nelson Cox, Commissioner