



MINUTES

UTILITY ADVISORY COMMITTEE REGULAR MEETING

Public Library Gallery Room ~ 955 Northgate Drive

March 10, 2020 ~ 3:00 p.m.

CALL TO ORDER:

Chair Sanders called the meeting to order at 3:00 p.m.

ATTENDANCE:

Chair James Sanders, Vice-Chair Graham Parker, Committee Members Dave Larkin, Charles LoPresti, Dan Porter, Amy Anderson, and Don Gregoire were present. Also present were Council Liaison Lemley, Staff Liaison and Energy Services Director Whitney, Public Works Director Rogalsky, Fire & Emergency Services Director Huntington, Business Services Manager Edgemon, Power Analyst Manzo and Administrative Assistant II Grimes.

APPROVAL OF THE AGENDA:

MEMBER PORTER MOVED AND MEMBER LOPRESTI SECONDED THE MOTION TO APPROVE THE AGENDA AS PUBLISHED. THE MOTION CARRIED 7-0.

APPROVAL OF MINUTES:

MEMBER LOPRESTI MOVED AND MEMBER LARKIN SECONDED THE MOTION TO APPROVE THE JANUARY 14, 2020 MEETING MINUTES AS AMENDED. THE MOTION CARRIED 7-0.

PUBLIC COMMENTS:

Mr. Larkin commented on a conversation he had with fellow jurors on a recent trial that he was a juror on. They expressed to him their belief the utilities do rate increases because they wanted more money and wish that the increases were not so large every other year, but maybe smaller each year. Mr. Larkin let the UAC members know he explained to the citizens that rate increases are tied to costs the utility incurs and not because they are trying to make a profit. Mr. Porter mentioned a resident told him their power had been shut off on a recent home they purchased due to communications going to the seller. The UAC members discussed each situation's probable miscommunication and possible remedies.

ITEMS OF BUSINESS:

1. Status – Each City Utility

Staff Report: Directors from Fire & Emergency Services, Public Works, and Energy Services Presented.

Director Huntington updated UAC on the hiring development for Station's 73 and 75. He intends to present a draft review of the department's newly developed Strategic Plan and possible rate review at the July meeting. Equipment and vehicles are in the process of being procured for the new station and DGR Grant Construction, Inc. was awarded the contract for the design-build of both station locations.

The UAC Members had several clarifying questions and stated their views on the topic. Discussion included: where the EMS academies are located and trends in public safety jobs, and what altered processes Fire & EMS personnel are taking during the COVID-19 response.

Director Rogalsky stated the non-potable water is starting to come online in the next few weeks for irrigating purposes. Discussions have stalled with the WA Department of Ecology over the water rights in the Horn Rapids area and the amount water the City should have a right to. The City is waiting for Ecology to make a final determination on the proof of appropriation, as there is disagreement between the two on the amount of water that should be provided. For the wastewater utility, they continue to make capital improvements needed for operating the treatment plant and will continue for the next few years. The solid waste utility will be undergoing a rate review this year and he plans to be back at the May meeting to give a preliminary evaluation. The Stormwater utility continues to make water quality improvements with adding water treatments on pipes where the run-off goes to the river.

The UAC Members had several clarifying questions and stated their views on the topic. Discussion included: what type of technology improvements need to be made to the wastewater treatment plant and whether the hazardous waste collection operations will be taken over by the City.

Director Whitney informed UAC that due to the winter conditions being mild, overall revenue for the electric utility was down, but the snow pack in the mountains was normal so the run-off should be satisfactory to Bonneville Power Administration (BPA). The Capital Improvement Plan (CIP) projects for 2020 have started to ramp up including replacing over 600 rental lights with LED bulbs to help conserve energy and the human resources it was taking to constantly repair the lights prior to be changed out. The planned 2020 CIP projects include a new substation design, boring and cable replacement projects, construction of Horn Rapids Solar, Storage and Training project, and Advanced Meter Infrastructure installation. Mr. Whitney informed the committee there will be future conversations around small modular reactors as the clean energy legislation starts to be comprehended in order to balance resource inadequacy.

The UAC Members had several clarifying questions and stated their views on the topic. Discussion included: when streetlights will be changed over to LED in mass and what that process would look like.

2. Horn Rapids Solar, Storage and Training Project Update

Staff Report: Director Whitney discussed the construction timeline for the project and probable delays due to the COVID-19 response and materials being delayed for the solar panels and battery. The expectation is the site will be operational by October 2020. Mr. Whitney stated a tour of the facility by UAC is planned for the September meeting and it can coincide with a tour of the landfill at the same time.

The UAC Members had several clarifying questions and stated their views on the topic. Discussion included: how BPA will shape the load with this additional non-federal power purchase and how Pacific Northwest National Laboratory will be doing analytics from data that is collected from HRSST.

3. Energy Services Financial Update

Staff Report: Director Whitney presented an updated financial picture of the electric utility. Due to the City implementing a new financial enterprise system in October of last year, the financial reports are delayed. Mr. Whitney went over the updated cost of service analysis (COSA) and its projections for when rate increases are needed. Also presented was the utility's customer count. The utility will reach 25,000 customers in 2020 and will be prompted to have 3% of the retail load be renewable energy within four years. The current hydropower resources in BPA's fuel mix do not count as renewable in this legislation. HRSST is expected to bring 1% of that retail load in renewable resources.

The UAC Members had several clarifying questions and stated their views on the topic. Discussion included: how the bond rating for the utility and BPA are tied to financials, rate pressures BPA has to contend with and how that affects RES rates, and the difference between a customer count and a meter count.

4. Columbia River System Operations Draft Environmental Impact Statement (CRSO DEIS)

Staff Report: Director Whitney summarized the recently released draft EIS and the multiple objective alternatives (MO) examined in the study. Each MO examined gave certain outcomes for the individual objectives or statements of need. The preferred alternative was a variation of multiple objectives and did not recommend dam breaching. The City is currently discussing how to respond to the DEIS by public comment.

The UAC Members had several clarifying questions and stated their views on the topic. Discussion included: the various effects of dam breaching the study outlined and what it would do to local electric reliability, what the community attitude is on the issue, financial impacts of dam breaching, and how long the issue of dam breaching has been in the public sphere.

OTHER INFORMATION:

1. Energy Services 2019 Capital Work Plan Year End
2. Bonneville Power Administration's Bond Rating
3. NWPPA Annual Meeting
4. Forward Planning Agenda

The UAC Members discussed: the date and location of NWPPA's Annual Meeting and to contact Director Whitney if interested in attending, sending the forward planning agenda items on the request for business items to UAC members, and agenda items requested to be added to the forward planning agenda.

ADJOURNMENT

Chair Sanders adjourned the meeting at 5:04 p.m.

Respectfully submitted:



Kylie Grimes, Administrative Assistant II

Reviewed by:



Clinton R. Whitney, Energy Services Director

Date Approved: July 14, 2020

Date Published: July 15, 2020