

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY  
MINUTES OF A WORK SESSION OF  
THE BOARD OF COMMISSIONERS  
APRIL 27, 2005

A work session of the Board of Commissioners of Public Utility District No. 1 of Clallam County was held at the Port Angeles Office, 2431 East Highway 101, on the above date commencing at 10 a.m. The purpose of the work session was to discuss the District's future relationship with Bonneville Power Administration.

Commissioners present were: Hugh E. Simpson, Jr., President; W.E. Purser, Vice President; and Hugh Haffner, Secretary.

Staff present were: Dennis Bickford, General Manager; Fred Mitchell, Telecommunications & Power Resources Manager; and Donna Hansen, Administrative Assistant.

Others present were: Loren Baker, Jeff Fuller, and Ray Johnson.

Loren Baker, Jeff Fuller, and Ray Johnson of Power Resource Managers were present to facilitate the discussion for today's work session, which is the last in a series of four work sessions on the District's future relationship with Bonneville Power Administration (BPA). The objective of this series is to begin providing a framework for the District to make strategic decisions as BPA's role in the region changes. Today's session is a simulated risk management committee meeting and a high level overview of supply-side resources that could augment future BPA power purchases.

After an overview of issues relative to managing volume and price risks and the reports that would be provided for a risk management committee meeting, a mock risk management committee meeting was practiced by the Commissioners, General Manager, and Telecommunications and Power Resources Manager. The mock power budget was set to correspond with 75% exceedance, average water, and consistency with other PRM clients. Participants experienced decisions that could be made as markets and volumes change in the future and were given the opportunity to see how those decisions would affect PUD budgets.

An overview of the supply-side resources, including a matrix of strengths and weaknesses of various resources was followed by a discussion of other generation projects.

The work session adjourned at 12:15 p.m.