

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY
MINUTES OF THE REGULAR WEEKLY MEETING OF
THE BOARD OF COMMISSIONERS
JANUARY 9, 2006

The regular weekly meeting 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 1:30 p.m.

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

Staff present were: Shelley Burgett, General Manager; Ken Foster, District Auditor; Larry Morris, Operations Facilities Superintendent; Dave Proebstel, Chief Engineer; Quimby Moon, Transmission, Substation, & SCADA Systems Manager; Fred Mitchell, Telecommunications and Power Resources Manager; and Carol Biss, Executive Assistant.

Others present were: Brian Gawley, Bob Hoyle, Bart Irwin, Teri Martin, and Ken Morgan.

On motion of Commissioner Haffner, seconded by Commissioner Purser and carried, the Commission approved the minutes of the January 3, 2006 regular weekly meeting as submitted.

Transmission, Substation, and SCADA Systems Manager Moon presented an overview of the Supervisory Control and Data Acquisition (SCADA) system, including hardware installation, SCADA screens, and SCADA system functionality. He reported on the work that was completed under the contract with Survalent Technology, Corp. for personnel and hardware and software equipment for the District's SCADA system. He also discussed plans for future expansion of the SCADA system.

Upon recommendation of staff and on motion of Commissioner Haffner, seconded by Commissioner Purser and carried, the Commission approved Quit-Claim Deeds for release of easements to the Wallace E. Adams Family Trust and Olympic Land Development, Inc.

The Commissioners approved revisions to the list of Committee and Organization Memberships 2006. Human Resources Manager Chapman will be the District's representative to American Public Power Association's Human Resources Committee and Chief Engineer Proebstel will be the District's representative to APPA's Transmission and Distribution Committee.

Upon recommendation of staff and on motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission approved the removal of delinquent accounts from the active accounts receivable in the amount of \$3,236.65.

On motion of Commissioner Haffner, seconded by Commissioner Purser and carried, the Commissioners agreed to cancel the January 16 regular weekly meeting.

Commissioner Simpson discussed a type of surge arrester device used to protect a residence from energy surges. He asked if there was interest in considering a surge protection program for District customers. A discussion followed. Staff will research the surge protection options and report back to the Commission.

The regular meeting recessed at 2:33 p.m. to go into executive session for legal and property matters. The executive session recessed at 4:45 p.m., and the regular meeting reconvened at that time.

A list of claim vouchers as certified by the General Manager and District Auditor was considered. On motion of Commissioner Haffner, seconded by Commissioner Purser and carried, the Commission approved payment of claim vouchers in the amount of \$114,604.04 for January 9, 2006. District Auditor Foster reported that the claim vouchers included 16 rebates for conservation programs totaling \$3,758.35.

Commissioner Purser reported on building developments proposed by the Jamestown S'Klallam Tribe. The possible impacts on District services were discussed.

General Manager Burgett presented the General Manager's Report. She said that the term of Franchise Ordinance 3090 with the City of Port Angeles ends in February. In accordance with provisions in the ordinance, the District may request a five-year extension. The City has

asked that the District send a written request in time to present it to the City's Utility Advisory Committee. Ms. Burgett and Commissioner Simpson will participate in a conference call regarding the Columbia Generating Station debt. Ms. Burgett also reported that all work under the agreement with C & J Excavating, Inc. has been completed for repair and expansion of the Carlsborg pole and equipment storage yard in the amount of \$8,339.10, including Washington State sales tax. (Quotation Number 051012)

Telecommunications and Power Resources Manager Mitchell reported on the launch event for the GridWise two-way load control program to be held Wednesday, January 11, in Seattle. Utility Services Administrative Assistant Bronna Hankoff will attend along with a District customer. Mr. Mitchell also reported on the Power Shift load control program. Bonneville Power Administration representatives will come to the District to present a workshop to address concerns about the installation of controllers for heat pumps and water heaters. He encouraged attendance at a NoaNet workshop January 11 in conjunction with the NoaNet Board meeting. Installation of a fiber line to the Lower Elwha Tribe's tower will begin this week. Legal counsel has reviewed the confidentiality agreement on the wind project with Klickitat PUD. Mr. Mitchell also discussed the City of Port Angeles request to transfer a District customer on Lindberg Road to the City. He suggested that, at a future meeting, Commissioners and staff discuss underground conduit for future fiber line installations in the Sequim area.

Attendance at meetings was approved.

There being no further business to come before the Commissioners, the regular meeting adjourned at 5:17 p.m. to meet again Monday, January 23, 2006, in the Port Angeles office.