

**WORKSHOP NOTES
OF KITTITAS COUNTY PUD #1
July 12, 2011**

A workshop was held at 1:00 PM of July 12, 2011.

Present at the Workshop were:

John Hanson, President
Paul Rogers, Vice President
Roger Sparks, Secretary
Chuck Ward, General Manager

Mr. Gerard Wanechek, Visitor

Purpose of Workshop:

Mr. Wanechek was given a chance to speak. Mr. Wanechek stated he just wanted to see what was going on at the workshop.

Discussion was held on the following items:

Insurance, namely;

- Medicare versus NRECA and the differences
- Mr. Ward to get cost to change NRECA to the primary provided, and how and when this can be done
- Mr. Ward. to find out what Medicare will pay as secondary provider
- Mr. Ward to find out what the "carve out" plan consists of
- Mr. Ward to find out how all this will be affected and will work out

Residential Exchange Program (REP), namely;

- Mr. Ward to determine the number of utilities opting in and out of defending pending claims against any motion or attempts to dismiss.
- Mr. Ward to determine the cost for opting in to defend pending claims against any motion or attempts to dismiss.

Ibedrola complaint, namely:

- Possibility of WPAG sharing a FERC attorney with PPC and NRU/PNGC and possible participation from Kittitas County PUD #1.

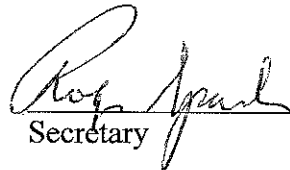
BPA Tier 1 and Tier 2 (if available) Renewable Energy Credits (RECs), namely:

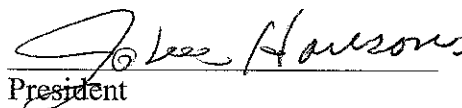
- How Kittitas County PUD #1 would like BPA to handle the Tier 1 and Tier 2 RECs starting in 2012.

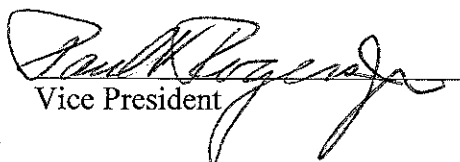
Executive Session was called at 2:00 PM per RCW 42.30.140 paragraph (4)(b) to discuss a collective bargaining strategy position for 30 minutes. The Board came out of Executive Session at 2:30 PM.

The workshop adjourned at 2:30 P.M.

ATTEST:


Secretary


President


Vice President