

**WORKSHOP NOTES OF THE BOARD OF  
COMMISSIONERS OF KITTITAS COUNTY PUD #1  
June 23, 2014 (Amended)**

The workshop of the Board of Commissioners of Public Utility District #1 of Kittitas County was called to order by President Paul Rogers at 11:04 A.M.

Those Present:

Paul Rogers, President  
Rogers Sparks, Vice-President  
Shan Rowbotham, Secretary  
Matt Boast, General Manager (GM)  
Brian Vosburgh, Assistant General Manager (AGM)  
Genine Pratt, Finance Manager (FM)

Guests:

Hope Ross – BPA  
Kimberly Gilliland - BPA

**DISCUSSION:**

**BPA Topics of Discussion:**

Commissioner Rowbotham stated that WPAG is not in agreement with the extending of the terms for financing, Commissioners Rogers and Sparks concurred and on forwarding their thoughts to BPA.

Commissioner Rogers asked Ms. Ross if she though our District will hit Tier II rates in 2015, and Ms. Ross stated that the process will begin in August and it is quite complicated. She also stated that Tier II rates are not expected to hit the District until the 2016 timeframe.

Commissioner Sparks asked Ms. Ross of the availability of Tier I rates should the City of Cle Elum consider their own utility. Ms. Ross stated that there is Tier I power available until 2021, and Ms. Gilliland added that they would also need to acquire transmission services from BPA. Commissioner Rogers asked if updating the Smithson transformer would create a lot of red tape through BPA as far as an interconnection agreement. Ms. Gilliland offered her services to the District and asked how often we would need her. Commissioner Rogers requested at least once a year. Ms. Gilliland also added that it would not be a problem to add a transformer as long as they were notified ahead of time of the additional load. Commissioner Rogers requested at least once a year.


Commissioner Rogers inquired as to BPA's stance on the legal issues of serving pot farms. Ms. Ross stated that BPA is working on a policy through the Department of Energy, and that Conservation money is not available to pot farms.

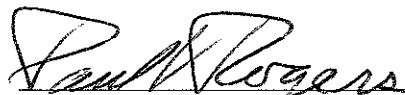
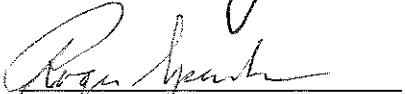
**Asset Management Policy:**

FM Pratt presented a draft Asset Management Policy and asked for comments.

Workshop adjourned at 12:15 P.M.

ATTEST:

  
Secretary

  
President  
  
Vice President