

## **Special Meeting – Rate Advisory Committee**

### **August 1, 2017**

The Special Meeting of the Board of Directors of the Columbia River PUD was called to order by President, Jake Carter, at the Deer Island District Office at 5:16 p.m. Notice was provided to the press and interested parties. The following individuals were present:

**Directors:**

Jake Carter  
Rob Mathers  
Harry Price  
Debbie Reed

**Staff:**

John Nguyen  
Libby Calnon  
Mikka Mullican  
Branden Staehely  
Rick Calnon  
Eli Crape

Tracy Pinder  
Heidi Ralls  
Tim Lammers  
Sonia Wendelschafer  
Rachel Swanson

**Consultants:**

Steve Andersen, EES Consulting

**Committee Members:**

Jeff Mapes	Jack Carter	Chuck Daughtry	Grant Gillis
Bill Eagle	Charles Petersen		

**Public:**

None

President Carter welcomed the committee and reviewed the agenda for the evening. He informed the committee that as the Board prepares to make a decision regarding rates, they will take into consideration the information from EES Consulting, input from the Rate Advisory Committee, recommendations from Staff, and public testimony. He also informed the committee that the Board is expecting to take action at the August 15, 2017 Board Meeting.

J. Nguyen provided a few housekeeping items and turned the meeting over to T. Pinder.

### **DISCUSSION OR ACTION ITEMS**

- 1. 2017 Cost of Service Analysis (COSA):** T. Pinder invited the committee to provide feedback and ask questions as the meeting progressed. She reviewed information as requested at the June 22 committee meeting including the role of the Rate Advisory Committee, what a Cost of Service Analysis is, and covered demand and energy usage.

There was discussion on net metering and how it will affect rates moving into the future.

T. Pinder continued with a detailed explanation of the COSA Model then proceeded with a review of the BPA Rate Increase. She noted the final BPA rate adjustment has been announced and the PUD's power charge will increase by 4.29% and transmission charges will increase by 0.37%. The information shown tonight will reflect these changes.

Steve Anderson of EES Consulting reviewed the rate design decision making process. He discussed the recommended changes to rate structures and reviewed a five year projection using an overall 5.1% increase in Oct 2017 and an overall 5.5% increase in 2019 while maintaining an average of \$8.1 million in cash reserves.

L. Calnon reviewed a rate comparison for commercial and industrial customers in the Portland Metro area.

After a brief break, L. Calnon continued with an explanation of the BPA Spill Surcharge and reviewed the record of decision spill surcharge mechanism components which led to discussion of adding the potential surcharge to the rate increase or wait until the PUD receives the charge to pass it on to customers. The Committee concurred the surcharge should not be added to the October rate treatment.

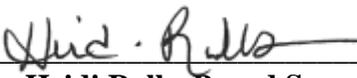
Staff Recommendation was discussed. Each committee member received information on what their own account would reflect with each rate scenario. After significant discussion, each member of the committee provided their opinion.

Overall, the committee concurred it was important to work toward the true cost of service by instituting incremental increases to the customer charge while continuing to be sensitive to the more vulnerable customers.

The Board and Staff extended their appreciation to the Committee for their invaluable time and contributions and reminded them the Rate Hearing is scheduled for the August 15, 2017 Board Meeting at 6:00 p.m.

There being no further business to come before the Board, the meeting was adjourned at 8:19 p.m.

**Columbia River People's Utility District**

By   
**Heidi Ralls, Board Secretary**