

**Minutes of the  
Energy Northwest  
Regular Executive Board Meeting  
Energy Northwest – Multi-Purpose Facility  
Glenn C. Walkley Room  
3000 George Washington Way  
Richland, Wash.  
Sept. 23 – 24, 2015**

Chair Sid Morrison called the regular meeting of the Executive Board of Energy Northwest to order at 12:31 p.m. on Sept. 23, 2015 in the Glenn C. Walkley room of the Multi-Purpose Facility at Energy Northwest in Richland, Wash. There was a quorum present. An environmental analysis of the Sept. 23 – 24, 2015 regular Executive Board meeting agenda had been prepared which reflected that all items on the agenda were exempt from further procedural compliance with the State Environmental Policy Act.

**Roll Call**

**Executive Board Members**

Sid Morrison, Chair	Present
Jack Janda, Vice Chair	Present
Lori Sanders, Secretary	Present
Dave Remington, Assistant Secretary	Present (Wednesday only)
Marc Daudon	Present
Linda Gott	Present
Jim Moss	Present
Skip Orser	Present
Will Purser	Present
Tim Sheldon	Present
Kathy Vaughn	Absent

**Others Present:**

**Both days:** Board of Directors members – Terry Brewer and Steve Houston; Reese Government Relations – Shirley Reese; Rowland, Co – Jim Rowland; Bonneville Power Administration – Cherie Sonoda; and PSAV – Blaine Johnson.

**Wednesday only:** Participants Review Board member – Clay Smith and Corporate Safety Review Board member – Rick Jacobs.

**Thursday only:** Northwest Power and Conservation Council – Tom Karier; Bonneville Power Administration – Damon Bleiler, Larry Felton, Marcus Harris and Anna-Lisa Miller; Public Financial Management – Mike Mace; and Foster Pepper – Nancy Neraas.

**Staff Present:**

**Both days:** Mark Reddemann; Grover Hettel; Alex Javorik; Bob Dutton; Steve Lorence; Mike Paoli; Dave Briggs; Kent Dittmer; Ron Hogue; Carla Martinez; and Angela Smith.

**Wednesday only:** Randall Prewett.

**Wednesday dinner only:** Brent Ridge, Denise Brandon; Jack Pierce; and Cristina Reyff.

**Thursday only:** Jim Gaston; Kelley Dennison; John Irvan; Jeff Windham.

## **Regular Executive Board Meeting**

Mr. Steve Houston led the group in the Pledge of Allegiance.

### **Comments from Members of the Public**

Hearing no comments from members of the public, the next item on the agenda was addressed.

### **Approval of Minutes**

The following meeting minutes were presented for approval:

- Regular Executive Board Meeting – Aug. 26 – 28, 2015

Mr. Jack Janda moved that the minutes be approved. Mr. Dave Remington seconded. MOTION CARRIED.

### **Chief Executive Officer Report**

Mr. Mark Reddemann, Chief Executive Officer, presented the CEO Report. Key highlights included: Representative Dan Newhouse's recent visit to Energy Northwest (orchestrated by the Northwest Public Power Association); Oregon state legislator's visit to Columbia Generating Station; the Association of Washington Business' annual policy summit; the Northwest and Intermountain Independent Power Producers Coalition annual meeting; recent all-employee meetings; union negotiations; the latest CEO recognitions; the denial of the petition filed by three Oregon-based groups against issuance of the permit by the Energy Facility Site Evaluation Council; upcoming Utah Associated Municipal Power Systems visit to the Tri-Cities; recent member visits; industry measures; and high-level asset performance review.

Mr. Reddemann wrapped up by addressing several questions from Executive Board members.

### **Other Business**

Assign Meeting Critique – Chair Morrison asked Mr. Tim Sheldon to be the meeting critique lead for the September meeting.

NoaNet Appointment – Chair Morrison appointed Mr. Will Purser as the official representative to NoaNet on behalf of the Executive Board.

Meritorious Service Award – Mr. Reddemann shared two recommendations for the Executive Board to consider for the Meritorious Service Awards.

Discussion ensued including adding a monetary award of \$1,000 per recipient.

Mr. Jack Janda moved to award the Meritorious Service Award to both recommendations provided by Mr. Reddemann and discussed during the Sept. 23, 2015 Executive Board meeting to include a monetary award of \$1,000 per person. Ms. Linda Gott seconded. MOTION CARRIED.

Mr. Janda asked Ms. Cherie Sonoda if the Bonneville Power Administration has an awards program. Ms. Sonoda responded yes. Ms. Sonoda took the action to go back to BPA and recommend an award for those at BPA who helped in one of the recommended projects.

Hearing no further business, Chair Morrison turned the meeting over to Mr. Skip Orser.

### **Nuclear Oversight & Safety Committee Reports**

Committee Chair Skip Orser opened the Nuclear Oversight and Safety Committee and turned it over to Mr. Grover Hettel, Acting Chief Nuclear Officer.

#### **Chief Nuclear Officer Report**

Mr. Hettel presented the CNO Report. Key points included: plant status, Phase IV Sustaining Excellence, industry update and upcoming events.

The meeting recessed at 2:33 p.m. for a break; the meeting reconvened at 2:48 p.m.

Mr. Hettel continued his presentation focusing on Columbia Generating Station performance indicators.

Discussion ensued throughout.

The meeting recessed at 3:24 p.m. for a break; the meeting reconvened at 3:33 p.m.

#### **CNSRB Update**

Mr. Rick Jacobs, Corporate Nuclear Safety Review Board member, presented the CNSRB Report. Key highlights included: CNSRB background; noteworthy accomplishments; recommendations, focus areas and suggestions; and final thoughts.

Hearing no additional questions or comments, Committee Chair Orser turned the meeting back to Chair Morrison who recessed the meeting at 4:47 p.m. until the evening dinner.

### **Regular Executive Board Dinner**

The Executive Board reconvened at 6 p.m. for dinner in the Columbia Pointe Room A at the Hampton Inn in Richland, Wash.

Chair Morrison adjourned the dinner at 8 p.m.

### **Regular Executive Board Meeting *cont'd***

The regular Executive Board meeting reconvened at 8 a.m. on Thursday, Sept. 24, 2015 by Executive Board Chair Sid Morrison who immediately turned the meeting over to Mr. Orser.

### **Nuclear Oversight & Safety Committee Reports *cont'd***

Committee Chair Skip Orser reconvened the Nuclear Oversight and Safety Committee and turned it over to Mr. Dave Swank, assistant vice president, Engineering.

**Fukushima Update**

Mr. Swank provided an update on Columbia's response to Fukushima. Key highlights included: a Fukushima overview; containment hardened vent system; and seismic and flooding re-evaluations.

Discussion ensued including a request to provide the board at a future update, a break out of each of the related activities into discrete projects and include what the original estimates are, what the actuals are and what the total cost to date is.

**Commitment Review/Provide Majority-based Direction**

The following new commitment was added:

- Provide photos of Stellite on control rod blades – Nuclear Generation – Future CNO Report
- Provide the board at a future update, a break out of each of the related activities into discrete projects and include what the original estimates are, what the actuals are and what the total cost to date is – Dave Swank – Future Fukushima Update

Hearing no additional questions or comments, Committee Chair Orser turned the meeting back to Chair Morrison who turned the meeting over to Mr. Tim Sheldon.

**Administrative, Energy & Member Services Committee Reports****Information Agenda Items**

Administrative, Energy and Member Services Committee Chair Tim Sheldon opened the committee by reminding the board of the available reports on BoardDocs. He then turned the meeting over to Mr. Mike Paoli, Public Information Officer.

**Public Power Week**

Mr. Paoli shared Energy Northwest's planned activities for Public Power Week.

Committee Chair Sheldon moved to approve EXECUTIVE BOARD RESOLUTION NO. 1858 – a resolution supporting public power week, Oct. 4-10, 2015 – Energy Northwest. Mr. Jack Janda seconded.

Chair Morrison opened the floor up for comments. Hearing none, Chair Morrison called for the question. EXECUTIVE BOARD RESOLUTION NO. 1858 UNANIMOUSLY ADOPTED.

**7<sup>th</sup> Power Plan Status**

Mr. Tom Karier, Northwest Power and Conservation Council member, provided an analysis of the draft 7<sup>th</sup> Power Plan. Highlights included: Analysis for a power plan; key findings; possible actions; and a review of a few scenarios the council assessed.

The meeting recessed at 9:35 a.m. for a break and reconvened at 9:49 a.m.

**UAMPS EN Licensee Update**

Mr. Jim Gaston, general manager for Energy Services and Development, presented licensing options for the Utah Associated Municipal Power Systems' Carbon Free Power Project. Key highlights included: Why Energy Northwest is involved in the CFPP; licensing options;

regulatory requirements; challenges; examples of other licensing arrangements; and risks and mitigation.

Discussion ensued on the proposed motion language.

#### Motion 2015-21

Committee Chair Sheldon moved that the Executive Board approve Energy Northwest proceeding with the Utah Associated Municipal Power Systems (UAMPS) with a plan to develop an application to the U.S. Nuclear Regulatory Commission as a licensee of the Carbon Free Power Project to be constructed and owned by UAMPS, and operated by an entity associated with Energy Northwest pursuant to an agreement with UAMPS. Seconded by Ms. Lori Sanders.

Discussion ensued including the request to have further Executive Board discussion at a future board meeting about the risks not shown as well as the benefits to Energy Northwest.

The board also requested they be sent risks (and posted to BoardDocs).

MOTION CARRIED.

#### Initiative Revision Discussion

Mr. Paoli and Mr. Jim Rowland, Rowland and Co., facilitated a discussion on future state energy policy. The proposed definition for 'eligible renewable resource' is:

*A zero carbon resource, which means electricity from a generation facility powered by a renewable resource, or other fuel whose conversion to electricity does not result in the emissions of carbon dioxide during operations.*

Discussion ensued with a request for staff to come back with more details based on the words above.

The meeting recessed at 11:28 a.m. for a break to get lunch and reconvened at 11:45 a.m.

#### Public Power Council

Committee Chair Sheldon and Vice Chair Janda provided comments on recent interactions with the Public Power Council.

#### NoaNet Update

Ms. Linda Gott provided an update on NoaNet.

#### Commitment Review/Provide Majority-based Direction

- Additional discussion about the licensing risks in the CFPP not discussed at the meeting as well as the benefits to Energy Northwest – Jim Gaston – future Executive Board.
- Send EB members and post to BoardDocs the risks of the CFPP – Jim Gaston.

**Other Business**

Hearing no additional questions or comments, Committee Chair Sheldon turned the meeting over to Chair Morrison who turned the meeting over to Vice Chair Jack Janda who was the Acting Committee Chair for the Audit, Legal and Finance Committee.

**Audit, Legal & Finance Committee Reports**

Acting Committee Chair Jack Janda opened the Audit, Legal and Finance Committee and reminded members to view the monthly cost reports on BoardDocs.

**Appointment of Acting Treasurer**

Acting Committee Chair Janda moved to approve EXECUTIVE BOARD RESOLUTION NO. 1859 – a resolution appointing an acting Treasurer of Energy Northwest. Mr. Jim Moss seconded.

Chair Morrison opened the floor up for comments. Hearing none, Chair Morrison called for the question. EXECUTIVE BOARD RESOLUTION NO. 1859 UNANIMOUSLY ADOPTED.

Acting Committee Chair Janda then turned the meeting over to Mr. Jeff Windham.

**BPA Debt Management Action**

Mr. Jeff Windham, acting Treasury manager, presented the Bonneville Power Administration's debt management action. Key points included: Background; goal; process; and value.

**Bond Transaction**

Mr. Windham, presented on the request for approval of supplemental resolutions authorizing the issuance and delegation related to the sale of regional cooperation Columbia, Project1 and Project 3 Series 2015C Bonds. Key points included: Background; market considerations; risk mitigation; key parameters; and recommendations.

**Resolution 1855**

Acting Committee Chair Janda moved to approve EXECUTIVE BOARD RESOLUTION NO. 1855 – a supplemental resolution authorizing the issuance of Energy Northwest Columbia Generating Station electric revenue refunding bonds, Series 2015-C. Mr. Skip Orser seconded.

Chair Morrison opened the floor up for comments. Hearing none, Chair Morrison called for the question. EXECUTIVE BOARD RESOLUTION NO. 1855 UNANIMOUSLY ADOPTED.

**Resolution 1856**

Acting Committee Chair Janda moved to approve EXECUTIVE BOARD RESOLUTION NO. 1856 – a supplemental resolution authorizing the issuance of Energy Northwest Project 1 electric revenue refunding bonds, Series 2015-C. Ms. Linda Gott seconded.

Chair Morrison opened the floor up for comments. Hearing none, Chair Morrison called for the question. EXECUTIVE BOARD RESOLUTION NO. 1856 UNANIMOUSLY ADOPTED.

Resolution 1857

Acting Committee Chair Janda moved to approve EXECUTIVE BOARD RESOLUTION NO. 1857 – a supplemental resolution authorizing the issuance of Energy Northwest Project 3 electric revenue refunding bonds, Series 2015-C. Mr. Skip Orser seconded.

Chair Morrison opened the floor up for comments. Hearing none, Chair Morrison called for the question. EXECUTIVE BOARD RESOLUTION NO. 1857 UNANIMOUSLY ADOPTED.

**Commitment Review/Provide Majority-based Direction**

No new commitments were added.

**Regular Executive Board Meeting (cont'd)**

**Upcoming Meetings**

Chair Morrison reminded the board that the joint board meeting will be held on Oct. 28 and 29, 2015. He also reminded the board of the Public Power Forum on Oct. 29 and 30, 2015. All events will be held at the Three Rivers Convention Center in Kennewick, Wash.

**Other Business**

Hearing no additional business, the next agenda item was discussed.

**BPA Report**

Ms. Cherie Sonoda with BPA provided a brief update of current water conditions and other BPA-related information. Mr. Larry Felton, also with BPA, provided comments from the recent Franklin PUD commissioner meeting.

**Meeting critique**

Mr. Sheldon provided the Executive Board meeting critique for the month of September.

**Staff Announcements**

Mr. Mike Paoli, Public Affairs manager, reminded board members to register for the Public Power Forum.

Hearing no further discussion, Chair Morrison adjourned the meeting at 12:34 p.m.

Respectfully submitted by,

Angela Smith  
Board Relations