

**Minutes of the  
Energy Northwest  
Joint Executive Board /  
Board of Directors /  
Participants Review Board Meeting  
Three Rivers Convention Center  
7016 Grandridge Blvd. – Meeting Room A-D  
Kennewick, Wash.  
Oct. 27, 2016**

Executive Board Chair Sid Morrison and Board of Directors President Brewer reconvened their respective meetings; and Participants Review Board Chair Ray Mosbrucker called to order the Participants Review Board at 7:33 a.m. in Meeting Room A-D at the Three Rivers Convention Center, Kennewick, Wash. There was a quorum present. An environmental analysis of the 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
Linda Gott, Assistant Secretary	Present
Marc Daudon	Absent
Jim Moss	Present
Skip Orser	Present
Will Purser	Present
Dave Remington	Absent
Tim Sheldon	Present
Kathy Vaughn	Present

### **Board of Directors Members**

PUD No. 1 of Asotin County	Judy Ridge	Present
PUD No. 1 of Benton County	Lori Sanders	Present
PUD No. 1 of Ferry County	Doug Aubertin	Present
PUD No. 2 of Chelan County	Carnan Bergren	Present
PUD No. 1 of Clallam County	Will Purser	Present
PUD No. 1 of Clark County	Jim Malinowski	Present
PUD No. 1 of Cowlitz County	Ned Piper	Present
PUD No. 1 of Franklin County	Bill Gordon	Present
PUD No. 2 of Grant County	Terry Brewer	Present
PUD No. 1 of Grays Harbor County	Arie Callaghan	Present
PUD No. 1 of Jefferson County	Barney Burke	Present
PUD No. 1 of Kittitas County	Shan Rowbotham	Present
PUD No. 1 of Klickitat County	Dan Gunkel	Absent
PUD No. 1 of Lewis County	Chuck TenPas	Present
PUD No. 1 of Mason County	Jack Janda	Present

PUD No. 3 of Mason County	Linda Gott	Present
PUD No. 1 of Okanogan County	Steve Houston	Present
PUD No. 2 of Pacific County	Diana Thompson	Present
PUD No. 1 of Pend Orielle County	Curt Knapp	Present
PUD No. 1 of Skamania County	Liz Green	Present
PUD No. 1 of Snohomish County	Kathy Vaughn	Present
PUD No. 1 of Wahkiakum County	Bob Jungers	Present
City of Centralia	M.L. Norton	Present
City of Port Angeles	Craig Fulton	Absent
City of Richland	Robert Hammond	Present
Seattle City Light	Mike Jones	Present
Tacoma Public Power	Bill Gaines	Absent

### **Participants Review Board Members**

Ray Mosbrucker, Chair	Present
Stu Nelson, Vice Chair	Present
Garry Rosman, Secretary	Present
Karl Denison	Present
Steve Houston	Present
Mark Platt	Present
Paul Rogers	Present
Clay Smith	Absent
Susan Thraen	Present

**Others Present:** Bonneville Power Administration – Larry Felton, Phil Smith, Cherie Sonoda and Wayne Todd; Reese Government Relations – Shirley Reese; Rowland Co. – Jim Rowland; and PSAV – Blaine Johnson.

**Staff Present:** Mark Reddemann; Brad Sawatzke; Brent Ridge; Grover Hettel; Alex Javorik; Bob Dutton; Jim Gaston; Mike Paoli; Vas Bhardwaj; Andy Black; Dave Briggs; Carla Martinez; Angela Smith and Greg Sponholtz.

## **Joint Executive Board / Board of Directors / Participants Review Board Meeting**

### **BPA Report**

Ms. Cherie Sonoda from BPA provided a brief update of current water conditions and other BPA-related information.

### **Investigation Update**

Mr. Skip Orser provided an update of the Executive Board independent investigation.

### **Chief Executive Officer Report**

Mr. Mark Reddemann, Chief Executive Officer, provided the CEO Report. Key highlights included: Democratic resolution; nuclear science week; recent CEO recognition lunches; bargaining units; time-loss injury; charitable giving; and the upcoming Public Power Forum. Mr. Reddemann wrapped up by addressing several questions from the governing boards.

**Chief Nuclear Officer Report**

Mr. Brad Sawatzke, Chief Operating Officer and Chief Nuclear Officer, presented the CNO Report. Key points included: plant status; significant plant work; regulatory update; evaluation preparation; Columbia Generating Station performance indicators; and proposed performance review.

The meeting recessed for a break at 9:08 a.m.; and reconvened at 9:24 a.m.

Mr. Sawatzke continued with the discussion of the proposed performance review; and upcoming events.

**Net Billing Agreement**

Mr. Bob Dutton, General Counsel and Chief Ethics Officer, presented the net billing agreement. Key highlights included: introduction and background of the Net Billing Agreement; Prudent Utility Practice Standard; Participants Review Board; and Direct Pay Agreement. Discussion ensued.

**Contracts Review Update**

Mr. Greg Sponholtz, Supply Chain Services manager, presented the contracts review update. Key contracts discussed included: Refueling and maintenance outage 23 and 24 reactor recirculation pumps "A" and "B" replacement; bulk chemical – orthophosphate; and R23 flow accelerated corrosion examinations.

**Bid Limits**

Mr. Sponholtz presented a bring back to the board regarding bid limits. Key highlights included: July 2008 legislation changing purchase and contract limit without competition from \$10,000 to \$25,000 for public utilities (not for joint operating agencies); in January 2015 Energy Northwest engaged to make a legislation change; in June 2015 legislation was approved; and in September 2016 EN revised associated procurement procedures utilizing the \$25,000 bid threshold.

**Other Business**

Discussion ensued on the Executive Board's notification protocol policy and the interest of the BOD and PRB adopting the protocol into each of their board rules.

**Commitments**

The following new commitment was added:

- Send the Net Billing Agreement presentation and white paper to board members – Bob Dutton/Angela Smith

The meeting adjourned at 11:19 a.m.

Respectfully submitted by,

Angela Smith  
Board Relations