

A RESOLUTION Establishing Electric System Rate Schedules

WHEREAS, Public Utility District No. 1 of Clallam County, Washington (the “District”), consulted with FCS Group to complete a Cost of Service Analysis (COSA) of its electric system; and

WHEREAS, District staff, in consultation with FCS Group, has carefully analyzed the rate revenue requirements of the District’s electric system based upon the contemplated financial transactions for the year 2020; and

WHEREAS, the District’s electric system rate revenue requirements necessitate an increase in electric system rate revenues; and

WHEREAS, the District’s Financial Policy has been incorporated into the Cost of Service Analysis (COSA); and

WHEREAS, the increases in the Districts’ electric rates by customer class are indicated in the tables attached to this Resolution, and are appropriate; and

WHEREAS, the State has mandated a long-term care (LTC) insurance requirement for employees effective January 1, 2022 that is currently being evaluated: and

WHEREAS, the weighted average electric rate increases in prior projections were 3.50% for years 2022 and 2023 and have been updated based on the COSA in years 2022 and 2023 to 2.25% each year; now, therefore, be it

RESOLVED, That the District’s Electric Rate Schedule shall be revised as set forth in the attached tables, resulting in an average electric rate increase of 2.25% effective April 1, 2022 and

the second increase of 2.25% effective April 1, 2023.

2. That the General Manager is authorized to implement a District LTC insurance program to meet State requirements under the condition this rate increase is not impacted.

PASSED by the Board of Commissioners of Public Utility District No. 1 of Clallam County, Washington, this 9th day of August, 2021.

President

ATTEST:

Vice President

Secretary