

**COMMISSIONERS PREAGENDA
FOR THE REGULAR MEETING OF
CLALLAM COUNTY PUBLIC UTILITY DISTRICT #1 BOARD OF COMMISSIONERS
APRIL 25, 2022 at 1:30 PM | HYBRID:** Commissioners and designated staff will appear in person

Join Zoom Meeting:

<https://us06web.zoom.us/j/82098850580?pwd=RGZHWnNQUlGQW5RcXNCYjJlWCtPUT09>

Meeting ID: 820 9885 0580 | **Passcode:** 620411

One tap mobile: +12532158782,,82098850580#,,,*620411# US (Tacoma)

Find your local number: <https://us06web.zoom.us/u/kICGDxHDj>

- **Consent Agenda Items**

The Commissioners will consider approving Consent Agenda items.

- **Bid Award Recommendation Memo for Bid No. 220802**

Commissioners will consider authorizing District staff to proceed with Bid Award Recommendation Memo for Bid No. 220802 to Nova Contracting, Inc., from Little Rock, WA, the lowest responsible bidder.

Staff requests a motion, second, and vote: Authorize District staff to proceed with Bid Award Recommendation Memo for Bid No. 220802. This contract is for the construction of water main replacement on Funk and Ballard Alley Road, and includes outlet pipe replacement of Chantrelle Reservoir. The work replaces approximately 1,500 linear feet of water main, fire hydrant, valves, and water service lines from the new water main to the meter, asphalt concrete patching, and surface restoration. The Engineer's estimate for the project is \$705,749. The bid is to be awarded to Nova Contracting, Inc., from Little Rock, WA, the lowest responsible bidder with a total base bid of \$511,530.00 (not including WSST).

- **RESOLUTION 2240-22 Authorizing the Purchase of Property to Construct a Pump Station**

The Commissioners will consider approving RESOLUTION 2240-22 Authorizing the Purchase of Property to Construct a Pump Station.

Staff requests a motion, second, and vote: Approve RESOLUTION 2240-22 authorizing the purchase of property by the District from the City of Port Angeles in the amount of \$41,000.00. The parcel will be used to construct Pump Station LUD3.

- **Update on PUD Planning for EV Load Growth**

Staff will provide an update on the District's plan for preparing for electric vehicle load growth. The presentation will cover the projected impacts (system, load, and financial) that the District is expected to experience as a result of the passage of State Bill 5974 "the Clean Cars 2030 bill" which was signed into law March 25, 2022. This bill establishes a goal that passenger and light duty vehicles model year 2030 and later be electric vehicles (EVs).

- **BPA Post-2028 Contract Discussion**

Commissioners and staff will discuss recent updates and presentations.

The Commissioners will also consider the customary business matters associated with approval of payments, minutes of the previous meeting, reports from Commissioners and staff, comments from the public, and other items of information or general business. Items may be added to, or removed from, the agenda at the meeting.

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CLALLAM COUNTY PUBLIC UTILITY DISTRICT #1
BOARD OF COMMISSIONERS
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1. CALL TO ORDER

2. APPROVAL OF CONSENT AGENDA

- a. Minutes of the April 11, 2022 regular meeting;
- b. Claim vouchers for April 11 through April 25, 2022 for a total of \$3,890,718.34;
- c. Payroll vouchers for the period of April 1 through April 15, 2022; and
- d. Contractor prequalification of Pacific Pole Inspection, Inc., for the upcoming year in the amount of \$350,000.00.

3. AGENDA REVISIONS

4. COMMENTS FROM THE PUBLIC

5. BUSINESS ITEMS

- a. Bid No. 220802 Award Recommendation Memo Water Main Replacement Tom Martin
- b. RESOLUTION 2240-22 Authorizing the Purchase of Property to Construct a Pump Station Tom Martin
- c. Update on PUD Planning for EV Load Growth John Purvis
- d. BPA Post-2028 contract discussion Commissioners, Staff

6. CORRESPONDENCE/COMMUNICATIONS

- a. HB 1329 and OPMA Changes Sean Worthington

7. COMMISSIONER REPORTS

8. STAFF REPORTS

9. BOARD ACTIONS FOR STAFF

10. COMMENTS FROM THE PUBLIC

11. EXECUTIVE SESSION

12. ADJOURN

CLALLAM COUNTY PUBLIC UTILITY DISTRICT #1

Minutes of the Regular Meeting of the Board of Commissioners

Main Office | 104 Hooker Road | Sequim, WA 98382

APRIL 11, 2022

This meeting was HYBRID (held remotely via ZOOM with designated staff in person)

Commissioners Present

Will Purser, President

Rick Paschall, Vice President

Jim Waddell, Secretary

Staff Present in Person

Sean Worthington, General Manager

John Purvis, Assistant General Manager

Lori Carter, Controller, Auditing Officer

Ruth Kuch, Finance Manager/Treasurer

Nicole Hartman, Communications Manager

Charlie McCaughan, Procurement/Facilities

Supervisor

Doug Adams, Transmission/Substation

Supervisor

Xanthius Christianson, Engineer

Mattias Järvegren, Utilities Services
Supervisor

Eric Jacobson, Business Analyst

Erica Olsen, Desktop Technician

Teresa Lyn, Executive Assistant

Staff Present via Zoom

Jamie Spence, HR Manager

Tom Martin, Water/Wastewater Manager

Larry Morris, Safety Manager

Steve Schopfer, IT Services Manager

Sarah Canepa, Financial Analyst

Kaylie Hunter, Procurement/Facilities

Supervisor

Chelsey Jung, Payroll Coordinator

Ben Phillips, Engineer

Greg Thompson, Engineering Technician

Julie Metzger, Power Systems Project
Coordinator

Mary Doran, Accountant

Jenean Keate, Contracts Coordinator

Mike Hill, Engineering Manager

Darian Rentas, Materials Specialist

Tyler King, Power Analyst

Others Present as Identified

Janet Marx

The meeting commenced at 1:30 PM. Communications Manager Nicole Hartman provided a brief tutorial on how the new “Owl” camera and hybrid audio will work.

CONSENT AGENDA 2:06

Upon recommendation of staff, and upon motion of Commissioner Paschall, seconded by Commissioner Waddell and carried, the Board the following consent agenda items:

- a. Minutes of the March 14, 2022 regular meeting; and
- b. Claim vouchers for March 14 through April 4, 2022 for a total of \$5,411,051.79;
- c. Payroll vouchers for the period of March 1 through March 31, 2022; and
- d. Removal of delinquent accounts from the April 2022 active accounts receivable totaling \$4,669.68 including a 30% collection fee;

- e. Removal of delinquent accounts from the April 2022 miscellaneous accounts receivable totaling \$38,815.14 including a 30% collection fee; and
- f. Contractor prequalification of Par Western Line Communications, Inc., for the upcoming year in the amount of \$10,000,000.00.

AGENDA REVISIONS 5:57

- a. Contractor prequalification of Par Western Line Communications, Inc., for the upcoming year is for the amount of \$10 million.
- b. Doug Adams, Transmission/Substation Supervisor will present Business Item A Invitation to Bid 220805 for the Forks substation.
- c. Item added to staff reports: Mutual aid assistance provided to Cowlitz County

COMMENTS FROM THE PUBLIC 6:32

There was no public comment.

BUSINESS ITEMS STARTING AT 6:52

- a. **7:07:** Upon recommendation of staff, and upon motion of Commissioner Paschall, seconded by Commissioner Waddell and carried, the Board authorized District staff to solicit formal bids for Bid No. 220805 via the Peninsula Daily News and by such other means as determined by staff to be prudent, inviting sealed proposals from prequalified contractors for the replacement of aging equipment of the Forks Substation. The substation is located at 441 West E Street, Forks, WA. The engineer's estimate for the project is \$547,080, not including WSST.
- b. **9:12:** Upon recommendation of staff, and upon motion of Commissioner Paschall, seconded by Commissioner Waddell and carried, the Board approved RESOLUTION 2236-22 adopting the 2022 Schedule of Deposits and Charges and Electric Line Extension Unit Prices and rescinding Resolution 2196-21.
- c. **14:05:** Upon recommendation of staff, and upon motion of Commissioner Paschall, seconded by Commissioner Waddell and carried, the Board authorized District staff to approve Acceptance Memo of Completion for Bid No. 211007. The project, contracted to CHG Building Systems, Inc., consisted of all necessary services, labor, and materials required for skylight replacement on Central Warehouse Facility at 100 Hooker Road, Sequim, due to leaking of the existing skylights for a total contract cost of \$121, 128.32 (including WSST). This Resolution was presented by Charlie McCaughan, Procurement/Facilities Supervisor, who will be retiring from PUD on Thursday, April 21, 2022. The Commissioners expressed their appreciation of Charlie for his years of fine service. He will be missed.
- d. **16:53:** Upon recommendation of staff, and upon motion of Commissioner Paschall, seconded by Commissioner Waddell and carried, the Board approved RESOLUTION 2237-22 authorizing the disposal of surplus property consisting of various old-style high-pressure sodium light fixtures, lamps, and related accessories with a total surplus value of \$19,050.

- e. **19:39:** Upon recommendation of staff, and upon motion of Commissioner Paschall, seconded by Commissioner Waddell and carried, the Board approved RESOLUTION 2238-22 reestablishing the dollar amounts for the Working Funds and rescinding Resolution 2174-20.
- f. **22:11:** Upon recommendation of staff, and upon motion of Commissioner Paschall, seconded by Commissioner Waddell and carried, the Board approved RESOLUTION 2239-22 establishing the current Electric Service Regulations and Requirements and rescinding Resolution 2225-21.
- g. **27:00:** Bonneville Power Administration's (BPA)'s post-2028 contract discussion: Commissioner Purser advised that the WPAG concept paper is complete and has been presented to BPA. We are now waiting for their response. Commissioner Paschall advised that this is Phase One. Phase Two is likely to be more contentious as BPA will want templates (traditional) but public power will want something different. Commissioner Waddell agreed and advised that we need to stay engaged and remain adaptable as quickly-changing markets, technologies costs, CETA and climate change will all have impacts. BPA will issue their concept paper July 1st. Other related topics were suggestions to tag energy according to source, EIA RECs, contract high-water marks, and the need for further clarification of the term 'carbon-neutrality'

47:00: CORRESPONDENCE/COMMUNICATIONS 47:00

General Manager Sean Worthington shared that former General Manager Doug Nass will be awarded NWPPA 2022's Life Membership Award for his contributions to Clallam PUD and public power at the Annual NWPPA Conference in Coeur d'Alene, ID in May. All Commissioners wholeheartedly agreed that Doug should be sent to that event.

COMMISSIONER REPORTS 48:34

Commissioner Waddell attended Washington Public Utility Association (WPUDA), Western Public Agencies Group (WPAG), and Economic Development Council (EDC) meetings.

Commissioner Paschall also attended WPUDA and WPAG meetings.

Commissioner Purser attended various Energy Northwest (EN) meetings, Columbia Generating Station Review meetings, and attended the in-person EDC gala.

The meeting convened and recessed at 2:46 PM for a short break. The meeting reconvened at 2:51 PM.

STAFF REPORTS 1:16:25

Utility Services Supervisor Mattias Järvegren presented an update on the District's energy efficiency program. He reviewed the District's 2020/21 Energy Independence Act (EIA) biennial energy efficiency target, acquisitions, compliance costs, and benefits. The District met its 2021 target with a minimal compliance cost. The outlook for 2022/23 EIA targets are looking good, specifically due to continued popularity of the residential heat pump and ductless heat pump programs; the potential for still fair commercial lighting incentives; and growth in the smart

thermostat program. The window program is slowing down and the heat pump water heater program continues to struggle with contractor skepticism, but given the success in other programs we will continue promoting them. The District's EIA 2022/23 target is projected to be met as well at a very low per MWh cost.

Assistant Manager John Purvis reported on the catastrophic supply chain issues that we are experiencing in regards to distribution transformers. Industry-wide, public power is experiencing horrific material delivery delays and exorbitant cost escalations. Distribution transformers are particularly problematic due to extensive lead-times and limited emergency supplies of the most common pad transformers. Specifically, there has been a 75% increase in pricing quoted over the past year; lead times of 16 to 18 weeks are now a year; and these numbers are escalating rapidly with March 2022 quotes increasing 300% over last year's quotes and current quoted lead times are now at 66 months minimum. All of this translates to a seven-fold increase from \$750K a year to \$5 million a year and potentially into a 6% rate increase hike for 2023. Mitigation actions that the District is taking include: specification modifications; the return of all idle 25KV pad transformers to stock; repair and recondition of old transformers whenever feasible; and providing customers with the alternate option of pole and overhead transformers in the short run. Additionally we are working to consolidate in-service transformers wherever possible and communicating the situation to all new service applicants. Commissioners were advised to expect in the very near weeks significant numbers of customer calls regarding this issue.

Assistant Manager John Purvis reported on the April 4th (6:45 PM) to April 5th (4:00 AM) electric outages affecting approximately 6000 customers on the West End. The outage was due to a fault, most likely caused by a tree, on a BPA line. The length of time to respond to outages in these kinds of rural locations is typically eight to nine hours – three hours for BPA to travel to the outage location and another five or so to patrol for safety along all affected parts of the line while it is being re-energized.

General Manager Sean Worthington informed the Commissioners that the District was called upon this morning to dispatched a crew to provide mutual aid assistance to Cowlitz County to mitigate substation issues caused by heavy snows.

BOARD ACTION ITEMS FOR STAFF 2:03:24

- a. Request that Assistant GM John Purvis report on the District's plan to accommodate expected new load growth as a result of electric vehicle charging.
- b. Reach out to BPA and ask them to provide us with the outage times by utility for their customers in order to possibly provide us with some leverage with BPA in regards to their servicing of transmission outages on the Olympic Peninsula.
- c. Press release regarding the District's conservation efforts and successes.

COMMENTS FROM THE PUBLIC 2:04:22

There was no public comment.

ADJOURN

The meeting adjourned at 3:35 PM.

ATTEST:

President

Vice President

Secretary

A detailed transcript of this meeting via audio recording is available to the public on the Commission Meetings page of the PUD website here: <https://clallampud.net/commission-meetings/>.

April 11, 2022

SUMMARY VOUCHER APPROVAL
PUBLIC UTILITY DISTRICT #1 OF CLALLAM COUNTY
OPERATING FUND

We certify, under penalty of perjury, that the materials have been furnished, the services rendered, or the labor performed as described herein, and that the attached list of claims are a just, due and unpaid obligation against Public Utility District No. 1 of Clallam County, and that we are authorized to authenticate and certify said claims.

SIGNED Yori Carter DATE 4/20/22
AUDITING OFFICER

[Signature] DATE 4/20/22
GENERAL MANAGER

Vouchers audited and certified by the Auditing Officer and the General Manager have been recorded on the attached list(s) which has been made available to the Board of Commissioners of Public Utility District No. 1 of Clallam County. We, the undersigned Board of Commissioners of Public Utility District No. 1 of Clallam County, approve for payment those vouchers included on the attached list(s):

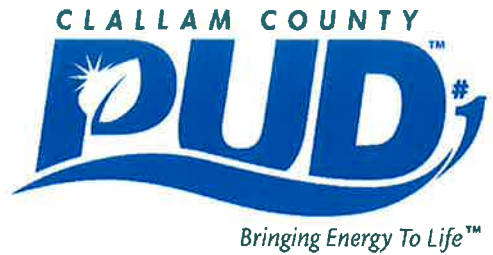
Summary for Voucher Lists Dated 4/11/2022–4/18/2022

Checks	\$	997,788.00
Wire Transfers		2,850,591.73
E-Payment		42,338.61
Prepays		-
Total	\$	3,890,718.34


COMMISSIONER

COMMISSIONER

COMMISSIONER



MEMORANDUM

Date: April 25, 2022
To: Sean Worthington, General Manager
From: John Purvis, Assistant General Manager 
Re: CONTRACTOR PREQUALIFICATION APPLICATIONS

The contractor on the following list is requesting approval for prequalification for the upcoming calendar year. Ruth Kuch, Treasurer/Finance Manager, has examined the financial data submitted with the application as well as the bonding letter from their surety and/or bonding company and has recommended the prequalification amount as indicated:

Contractor	Previously Approved Amount	Recommended Amount
Pacific Pole Inspection, LLC	\$350,000	\$350,000

Approved by Board of Commissioners at meeting of: _____, 20__.

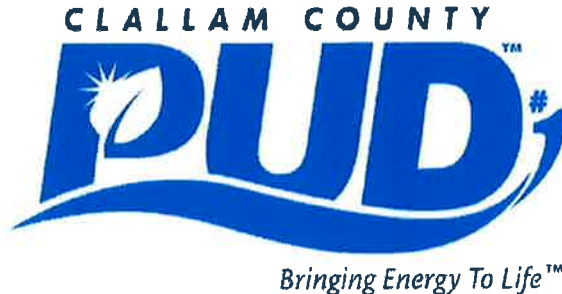
Sean Worthington, General Manager

District Use Only: MH JP TL BD RK JS

Previous Pre-Qual Amount: \$ 350,000 New Pre-Qual Amount: \$350,000

References checked by: _____ (on new contractors only) Date: _____

Date To Board: 4/25/2022



**APPLICATION FOR PREQUALIFICATION TO BID ON
CONSTRUCTION OR IMPROVEMENT OF ELECTRICAL FACILITY**

Contractors wishing to apply to the PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY for designation as a pre-qualified bidder for construction or improvement of any electrical facility shall complete the following questionnaire and submit all the information requested.

As used herein, the term "construction or improvement of any electrical facility" shall mean the construction, the moving, maintenance, modification, or enlargement of facilities primarily used or to be used for the transmission or distribution of electricity at voltages above seven hundred fifty volts, including structures directly supporting transmission or distribution conductors but not including site preparation, housing, or protective fencing associated with but not included in a contract for such construction, moving, modification, maintenance, or enlargement of such facilities.

1. Name of Business: PACIFIC POLE INSPECTION LLC
2. Address -- Mailing: 2581 MT PLEASANT DD. KELSO, WA 98626
Business: SAME
Telephone Number: 360-747-2525
FAX Number: N/A
E-Mail Address: JPEON10@PACIFICPOLEINSPECTION.COM
U.B.I. Number: 603-300-120
Contractor Registration No: PACIFPI856DS
WA Employment Security No: 376380-00-2
Dept. of Revenue State Excise Tax No: 603-300-120
Company Federal Tax ID No: 47-3524998
Sole Proprietorship Partnership Incorporation

3. If Applicant is a corporation:

a. State of incorporation: WASHINGTON

b. Name and address of registered agent: JOSH PEONIO
2581 MT. PLEASANT RD. KELSO, WA 98626

c. Names and addresses of officers of the corporation and their length of time with corporation. Indicate by an "*" those authorized to sign contracts:

* JOSH PEONIO 9 YEARS

d. Number of years the corporation has been in business: 9 YEARS

4. If Applicant is a partnership, state -

a. Names and addresses of all partners:

b. Length of time partnership has been in business: _____

5. If Applicant is a sole proprietorship, how long have you been in business? _____

6. Number of years Applicant has performed the type of work for which Applicant is bidding: 9

7. Has the Applicant paid all current license fees to the State of Washington:

(circle one) YES NO

License type: Electrical _____ Construction X Both X

Electrical License # _____ Construction License # PACIFP185605

8. Attach a **general résumé** setting forth applicant's experience, technical qualifications, and organization's ability to perform the proposed construction.

9. Attach a **list of your supervisory personnel, their qualifications, and years of experience.** Also list the number and type of craftsmen available, and list equipment available for work.

10. Attach a **list of clients served over the last three (3) years** including their names, addresses, location of the jobs performed, and contract amounts of the larger contracts. Be sure to include all work done with other Washington public utility districts.

11. What is the maximum amount of work, expressed in dollars, which you consider you are capable of undertaking? \$ 1,000,000

12. Set forth the name and address of Applicant's bank, including the branch and name of the individual in said bank to be contacted for financial reference.

FIBRE FEDERAL CREDIT UNION LONGVIEW, WA BRANCH
KATIE THOMASSON

13. Set forth the names and addresses of three (3) clients who will act as references.

BENTON REA JEFF EKRU 512-755-6963
BENTON PUD BRIAN CRAMER 509-366-6230
LEWIS PUD GARY DURYEA 360-740-2447

14. Attach your last fiscal year's complete financial statement (**Balance Sheet and Income Statement**). You must also submit a letter from your bonding/surety company that identifies their capacity in aggregate and by project.

Note: Application for Pre-qualification will not be considered without last fiscal year's complete financial statement.

15. Affirm that Applicant will pay wages and benefits for craftsmen employed on work that prevail in the locality of the work, as determined by the Department of Labor and Industries. AFFIRM
(Please write "affirm", if you agree)

16. Affirm that Applicant will comply with government regulations regarding non-discrimination of employment and employment practices on the basis of sex, race, color, or national origin. AFFIRM
(Please write "affirm", if you agree)

17. APPLICANT RECOGNIZES AND AGREES THAT UNDER THE PROVISIONS OF RCW 54.04.085, IF THE DISTRICT COMMISSION DETERMINES THAT A PREQUALIFIED CONTRACTOR NO LONGER MEETS ALL OF THE REQUIREMENTS FOR PREQUALIFICATION STATUS, THE DISTRICT MAY REFUSE TO FURNISH THAT CONTRACTOR WITH A CONTRACT PROPOSAL FORM AND MAY REJECT ANY BID PROPOSAL SUBMITTED BY THAT CONTRACTOR. AFFIRM
(Please write "affirm", if you agree)

18. List all OSHA citations received over the past three years including:

- Violation type
- Date
- Outcome and brief description of citation
- Any fatal accidents
- **MUST ATTACH OSHA 300 LOG FOR THE PREVIOUS 3 YEAR PERIOD**

N/A

19. Applicant confirms they are not on any State or Federal Suspended/Debarment lists. If for any reason applicant is placed on any State or Federal Suspended/Debarment lists, applicant must inform the District immediately and is banned from bidding on any project until the Suspension/Debarment is lifted and at the discretion of the District.

For which of the following classes of work are you seeking prequalification? *Indicate by use of "X" in proper square.*

A. DISTRIBUTION

- 1. Hot Work - Overhead
- 2. Overhead Construction
- 3. Underground - Primary
- 4. Underground - Secondary
- 5. Plowing
- 6. Trenching

B. TRANSMISSION

- 1. Wood or Fiberglass Poles
- 2. Steel Tower
- 3. Steel or Concrete Poles
- 4. Underground
- 5. Stringing and Sagging Conductor

C. POLE AND WOOD PRODUCT INSPECTION

- 1. Inspection and Treatment of Poles in Place
- 2. Inspection of New Crossarms and Poles

D. SUBSTATION

- 1. Complete Installation
- 2. Control Wiring and Metering
- 3. Maintenance

E. AREA AND STREET LIGHTING

- 1. Installation
- 2. Maintenance

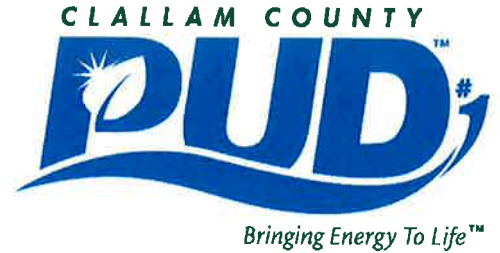
F. TREE TRIMMING AND BRUSHING

- 1. Involving "Hot" Lines
- 2. Not involving "Hot" Lines

G. RIGHT-OF-WAY CLEARING

H. ENVIRONMENTAL CLEANUP SERVICES

I. MISCELLANEOUS (List any special class not covered above)



MEMORANDUM

Date: April 25, 2022

To: Sean Worthington, General Manager

From: John Purvis, Assistant General Manager
Tom Martin, Water and Wastewater Systems Manager

Re: BID AWARD RECOMMENDATION MEMO
BID OPENING APRIL 13, 2022
FUNK AND BALLARD ALLEY ROAD WATER MAIN REPLACEMENT
BID NUMBER 220802

This contract is for the construction of water main replacement on Funk and Ballard Alley Road, and includes outlet pipe replacement of Chantrelle Reservoir. The work replaces approximately 1,500 linear feet of water main, fire hydrant, valves, and water service lines from the new water main to the meter, asphalt concrete patching, and surface restoration. The Engineer's Estimate for the project is \$705,749.

Nova Contracting, Inc., from Little Rock, WA, is the lowest responsible bidder with a total base bid of \$511,530.00 (not including WSST). A tabulation of all bids received is attached.

We recommend that the District let the contract to NOVA CONTRACTING, INC.

Accepted by Board of Commissioners at meeting of _____, 20__.

Sean Worthington, General Manager

Funk & Ballard Alley Road Water Main Replacement

Bids Due: 2:30 PM, 4/13/2022

Bidder	In Sealed Envelope?	Combined Grand Total Base Bid	Bid Bond	Noncollusion Affidavit	Addendum signed	Indicate if exclusions, exceptions, alternate bids are apparent?
Nova Contracting Inc	Y	\$511,530.00	Y	Y	Y	

IMPORTANT NOTE: THIS DOCUMENT DOES NOT REPRESENT SELECTION OF AN APPARENT LOW BIDDER OR PROJECT AWARD. THESE DETERMINATIONS WILL BE MADE ONLY AFTER A MORE THOROUGH REVIEW OF ALL BIDS IS COMPLETED.

A RESOLUTION Authorizing the Purchase of the Property for Construction of Pump Station LUD3 Located in Port Angeles, WA

WHEREAS, the District has determined there is an infrastructure need for a pump station on the future site of the lower LUD 3 Pump Station in order to produce effective increased water pressure in a safe geological location; and

WHEREAS, the District hired an engineering consultant to design and prepare specifications for a pump station placement out of a geological hazard zone, and an appraiser for land value assessment; and

WHEREAS, the parcel of property, described as: THE EAST 254.98 FEET OF THE NORTH 79.99 FEET OF PARCEL 1 OF SURVEY RECORDED IN VOLUME 9 OF SURVEYS, PAGE 139, RECORDS OF CLALLAM COUNTY, LOCATED IN THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 30 NORTH, RANGE 6 WEST, W.M., CLALLAM COUNTY, WASHINGTON, **EXCEPT** THE EAST 30 FEET THEREOF, is necessary for the safe geological expansion plans on the District's future site of the lower LUD 3 Pump Station facility; now, therefore, be it

RESOLVED that the District approves the purchase of the property described above in accordance with the terms laid out in the attached Real Estate Purchase and Sale Agreement,

2. That the Commission authorizes the General Manager to execute the necessary documents to complete this transaction on behalf of the District.

PASSED, by the Board of Commissioners of Public Utility District No. 1 of Clallam County, Washington, this 25th day of April, 2022.

President
ATTEST:

Vice President

Secretary

**REAL ESTATE PURCHASE & SALE AGREEMENT WITH
EARNEST MONEY PROVISION
THIS CONTRACT CONTROLS THE TERMS OF THE SALE OF REAL PROPERTY**

This Agreement is entered into as of the date last written below by and between Public Utility District No. 1 of Clallam County (the "Buyer" or "PUD") and the City of Port Angeles, a municipal corporation of Washington (the "Seller" or "City").

1. **PURCHASE.** Seller acknowledges receipt from Buyer the sum of FIVE THOUSAND DOLLARS (\$5,000.00) in the form of a check which has been deposited with Clallam Title Company as earnest money and as a credit to Buyer on the closing of the following described real estate, which Buyer agrees to buy and Seller agrees to sell, located in Clallam County, Washington and described generally as follows:

A portion consisting of approximately 0.41 acres (the "Parcel") to be subdivided from or out of an approximately 4.93 acre parcel (the "Property") legally described on Exhibit A attached hereto, and shown approximately located on the map of the Property attached hereto as Exhibit B.

Buyer intends to use the Parcel for a pump station. A survey of the Property, including the location of any easements established herein, shall be completed prior to closing at the sole expense of Buyer. It is also agreed and provided that the purchase price does not include the cost to segregate the Property nor any survey work, all of which will be at the sole expense of Buyer. The Property will be segregated at Closing as further described below, and a more precise legal description of the Parcel created thereby and intended to be the Parcel herein will be created by the Surveyor prior to closing.

2. **PURCHASE PRICE:** The total price for the Parcel is FORTY-ONE THOUSAND DOLLARS (\$41,000.00), payable on closing.

3. **BUYER'S REPRESENTATION:** Buyer represents that Buyer has sufficient funds available to close this sale in accordance with this Agreement and is not relying on any contingent source of funds unless otherwise set forth in this Agreement.

4. **CONTINGENCIES:**

a. **AS IS.** The Buyer accepts the Property as is, subject to any environmental contamination, and waives and releases the Seller from all claims and liabilities arising from or on account of environmental, physical or other condition of the Property. Except for Section 7 below, the Seller makes no representation or warranty concerning the condition of the premises or the improvements thereon. The Buyer assumes all risk relating to the condition of the Property and the suitability of the Property for the Buyer's intended uses.

i. Prior to Closing, Seller shall permit Buyer and its agents, at Buyer's sole expense and risk, to enter the Property at reasonable times to conduct inspections concerning the Property and improvements, including without limitation, the structural condition of improvements, hazardous materials, pest infestation, soil conditions, aquifer conditions, sensitive areas, wetlands, or other matters affecting the feasibility of the Parcel for Buyer's intended use. Buyer shall schedule any entry onto the Property with Seller in advance. Buyer shall not perform any invasive testing without obtaining the Seller's prior written consent, which shall not be unreasonably withheld. Buyer shall restore the Property and improvements to the same condition they were in prior to inspection.

b. **SHORT SUBDIVISION APPROVAL.** Closing shall be contingent upon Buyer receiving the necessary approvals for the contemplated short subdivision of the Property described in Section 1 above. If said approval is subject to conditions, the contingency or condition must be acceptable to the Buyer according to Buyer's discretion. If Buyer does not receive approval for the subdivision as required hereunder, or the contingencies or conditions to the approval are not acceptable to the Buyer, this Agreement shall terminate and Clallam Title Company shall release the earnest money to Buyer and thereafter neither party shall have any liability to the other, except that which has been made to expressly survive the termination of this Agreement.

c. **PROPERTY SHORT SUBDIVISION:** Upon receiving the necessary approval for the contemplated short subdivision of the Property described in Section 1 above, if received at all, Buyer shall, at Buyer's sole expense, cause the approved subdivision, short subdivision or boundary line adjustment of the Property, as the case may be, for the intended Property, to be recorded when the Property is purchased and the sale is closed, such that the Property purchased shall be legally described as set forth in Section 1 above. The location of the Parcel shall be substantially as shown on the map attached hereto as Exhibit B.

5. **HOLD HARMLESS:** Buyer agrees to indemnify and defend Seller from all liens, costs, damages, claims and expenses, including attorneys' and experts' fees, arising from or relating to entry onto, inspection of, or use of the Property by Buyer and its agents; provided: the foregoing indemnity does not apply to: (i) any loss, liability, cost or expense to the extent arising from, or related to, the negligent or willful acts or omissions of Seller or any indemnified party herein; (ii) any diminution in value in the Property arising from, or related to, matters discovered by Buyer during its investigation of the Property; (iii) any latent defects in the Property discovered by Buyer; and (iv) the release or spread of any hazardous materials or regulated substances which are discovered (but not deposited) on or under the Property by Buyer, except to the extent that the activities of Buyer exacerbated such condition or were caused by Buyer prior to or during its access, investigations and/or tests of the Property. This agreement to indemnify and defend Seller shall survive closing. In addition, The City hereby agrees to indemnify, reimburse, defend and hold harmless the PUD for, from and against any and all losses, damages, expenses, injuries, liabilities, judgments or claims, including but not limited to reasonable attorneys' fees and expenses ("Losses") related to or arising from the presence prior to Closing of any Hazardous Substances, as defined below, that are on, in, under, or emanating from the Property. The City's indemnity shall not apply to any Hazardous Substances that are released on, in or under the Property after Closing, nor shall it apply to any exacerbation of such pre-Closing Hazardous Substances caused by the PUD or its agents or contractors. The City shall have no liability for any Losses related to or arising from Hazardous Substances released on, in or under the Property after Closing. As used herein, the term "Hazardous Substances" shall mean any substance meeting the definition of hazardous substances in Washington's Model Toxics Control Act ("MTCA").

6. **SELLER'S REPRESENTATIONS AND WARRANTIES.** Seller represents and warrants to Buyer that, to the best of Seller's knowledge, each of the following is true as of the date hereof and shall be true as of closing: (a) Seller is authorized to enter into this Agreement to sell the Property and to perform its obligations under the Agreement; (b) the Property and the business, if any, conducted thereon comply with all applicable laws, regulations, codes and ordinances; (c) Seller has all certificates of occupancy, permits and other governmental consents necessary to own and operate the Property for its current use; (d) there is no pending or threatened litigation which would adversely affect the Property or Buyer's ownership thereof after closing; (e) there are no covenants, conditions, restrictions, or contractual obligations of Seller which will adversely affect Buyer's ownership of the Property after closing or prevent Seller from performing its obligations under the Agreement, except as disclosed in the preliminary commitment for title insurance or as otherwise disclosed to Buyer in writing prior to the end of the inspection contingency stated in Section 3 above; (f) there is no pending or threatened condemnation or similar proceedings affecting the Property, and except as otherwise disclosed in the

preliminary commitment for title insurance or as otherwise disclosed to Buyer in writing prior to closing, the Property is not within the boundaries of any planned or authorized local improvement district; (g) Seller has paid (except to the extent prorated at closing) all local, state, and federal taxes attributable to the period prior to closing which, if not paid, could constitute a lien on Property (including any personal property), or for which Buyer may be held liable after closing; and (h) Seller warrants that there are no pending or threatened notices of violation of building, zoning, or land use codes applicable to the Property; and (i) Seller is not aware of any concealed material defects in the Property except: None. This section shall survive closing.

7. HAZARDOUS SUBSTANCES: Seller represents and warrants to Buyer that, to the best of its knowledge, (i) there are no Hazardous Substances (as defined above) currently located in, on, or under the Property in a manner or quantity that presently violates any Environmental Law (as defined below); (ii) there are no underground storage tanks located on the Property; and (iii) there is no pending or threatened investigation or remedial action by any governmental agency regarding the release of Hazardous Substances or the violation of Environmental Law at the Property. This provision shall survive closing.

8. PARCEL CONDITION: Seller represents to the best of Seller's knowledge that Seller is not aware of any material facts adversely affecting the Parcel. Seller agrees to maintain the Property in its present condition until the time Buyer is entitled to possession. This provision shall survive closing.

9. DISCLOSURES: Any disclosure made by Seller regarding the title or condition of the Property, in whatever form including verbal or as a part of a standardized real estate sales disclosure, shall become expressed warranties and are incorporated herein by reference. The parties acknowledge that Buyer's inspection of the Property will be in part directed by the disclosures made by Seller and that Buyer has the right to rely upon Seller's disclosures with regard to title and condition of the Property.

10. TITLE: Unless otherwise specified in this Agreement, title to the Parcel shall be marketable at closing. Rights, reservations, covenants, conditions, and restrictions, presently of record, easements, and encroachments, not materially affecting the value of the Parcel or unduly interfering with Buyer's intended use of the Parcel, shall not cause the title to be considered unmarketable. Buyer shall conclusively be deemed to have accepted the condition of title unless Clallam Title Company receives notice of Buyer's objections within thirty (30) days after the preliminary commitment for title insurance is received by or made available to Buyer. Encumbrances to be discharged by Seller shall be paid by Seller on or before Closing.

11. TITLE INSURANCE: Seller authorizes closing agent, at Buyer's expense, to apply for a standard form owner's policy of title insurance to be issued by First American Title Insurance Company ("Title Company"). The title policy shall contain no exceptions other than those contained in said standard form and those not inconsistent with this Agreement. If title is not so insurable and cannot be made so insurable prior to closing, Buyer may elect either to waive such encumbrances or defects, or to terminate this Agreement and receive a refund of the earnest money. Buyer acknowledges that a standard form of title insurance does not insure the location of boundaries and that an extended form of insurance is available at additional costs to Buyer. Buyer shall be responsible for the premium for extended title coverage should it elect to pursue said extended coverage. Buyer shall be responsible for the cost of escrow services to be provided by Clallam Title Company ("Escrow Agent").

12. CONVEYANCE: Title shall be conveyed by Bargain and Sale Deed free of encumbrances and defects except those included in this Agreement or otherwise acceptable to Buyer.

13. INCLUDED ITEMS: There are no items included in the sale except as follows: None.

14. CLOSING: This sale shall be closed by Escrow Agent on or before a date that is 30 days from the waiver or satisfaction of all of the conditions to Closing set forth in Section 4 above. "Closing" means the date on which

all documents are recorded and the sale proceeds are available for disbursement to Seller. Buyer and Seller shall deposit with closing agent all documents and monies required to complete this sale in accordance with this Agreement.

15. CLOSING COSTS AND PRO-RATION: Buyer shall each pay all escrow fees. Seller shall pay real estate excise tax. Taxes for the current year shall be prorated as of closing.

16. POSSESSION: Buyer shall be entitled to possession on closing.

17. CASUALTY LOSS: If, prior to closing, improvements on the Property are destroyed or materially damaged by fire or other casualty, Buyer may elect to terminate this Agreement and the earnest money shall be refunded to Buyer.

18. ASSIGNMENT: Buyer's rights under this Agreement may not be assigned by Buyer without Seller's prior written consent, which consent shall not be unreasonably withheld.

19. AGENCY DISCLOSURE: All parties warrant that they have not availed themselves of the services of an agent for the purchase and sale of the Parcel, and that no fees are owed to a real estate agent as a part of this transaction.

20. FIRPTA COMPLIANCE: This sale may be subject to the withholding and reporting requirements of the Foreign Investment in Real Property Tax Act (FIRPTA), unless Seller furnishes to Buyer an affidavit of non-foreign status. Seller and Buyer agree to comply with FIRPTA, if applicable.

21. NOTICES: Unless otherwise specified in this Agreement, any and all notices required or permitted to be given under this Agreement must be given in writing. Notices to Seller must be signed by Buyer and shall be deemed to be given when actually received by or at the residence of Seller. Notices to Buyer must be signed by at least one authorized representative of the Seller and shall be deemed to be given when actually received by or at the Port Angeles office of Buyer. Both parties must keep each other advised of their whereabouts.

22. COMPUTATION OF TIME: Unless otherwise expressly specified herein, any period of time specified in this Agreement shall expire at 5:00 p.m. of the last calendar day of the specified period of time, unless the last day is Saturday, Sunday, or legal holiday, as prescribed in RCW 1.16.050, in which event the specified period of time shall expire at 5:00 p.m. of the next business day. Any specified period of five (5) days or less shall include business days only.

23. DEFAULT/TERMINATION: If this Agreement is terminated for any reason, the cancellation fee for title insurance and any other costs authorized under this Agreement to be advanced from the earnest money deposit, shall be deducted before the remaining earnest money is refunded to Buyer or forfeited to Seller. If a dispute should arise regarding the disbursement of any earnest money, the party holding the earnest money may interplead the funds into court. Furthermore, if either Buyer or Seller defaults, the non-defaulting party may seek specific performance or damages, except that the Seller's remedy shall be limited as follows if the paragraph below has been initialed by both parties.

In the event the Buyer fails, without legal excuse, to complete the purchase of the Parcel, the earnest money deposit made by the Buyer shall be forfeited to the Seller as the sole and exclusive remedy available to the Seller for such failure. Furthermore, if the earnest money deposited exceeds five percent (5%) of the sale price, Seller may retain as liquidated damages and as Seller's sole remedy, earnest money equaling only five percent (5%) of the purchase price; any additional earnest money shall be refunded to Buyer.

Buyer: _____ Seller: _____

24. GENERAL PROVISIONS: Time is of the essence. There are no verbal agreements which modify this Agreement. This Agreement constitutes the full understanding between Seller and Buyer. Buyer has personally observed the Property and has reached Buyer's own conclusion as to the adequacy and acceptability of the Parcel based upon such personal inspection of the Property. Unless otherwise expressly specified herein, square footage, dimensions, and/or boundaries used in marketing the property are understood to be approximations and are not intended to be relied upon to determine the fitness or value of the Parcel.

25. ACKNOWLEDGMENTS OF BUYER AND SELLER: Buyer and Seller each acknowledge that they have been advised to have the terms and conditions of this Agreement reviewed by independent legal counsel and a tax advisor, as the terms and conditions affect the parties' rights and may have tax implications. By signing this Agreement, Buyer and Seller that they have satisfied themselves as to the terms and conditions of this sale.

26. ATTORNEYS' FEES: In the event of any dispute, the prevailing party shall be entitled to recover its attorneys' fees and costs, including those on appeal.

Buyer hereby offers to buy the Parcel and Seller hereby agrees to sell the Parcel on the above terms and conditions set forth in this Agreement.

**Signature page to follow*

Exhibit A:

Legal Description of Property

The east 254.98 feet of the north 79.99 feet of Parcel 1 of survey recorded in Volume 9 of Surveys, Page 139, records of Clallam County, located in the southeast quarter of the northeast quarter of section 14, township 30 north, range 6 west, W.M., Clallam County, Washington, **except** the east 30 feet thereof.

Exhibit B:

Diagram of Property and outline of the Parcel

SHORT PLAT (PRELIMINARY)

LOCATED WITHIN THE SOUTHEAST QUARTER OF
THE NORTHEAST QUARTER OF SECTION 14,
TOWNSHIP 30 NORTH, RANGE 6 WEST, W.M.
CITY OF PORT ANGELES
CLALLAM COUNTY, WASHINGTON

THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER
SECTION 14, AS SHOWN BY THE SURVEY RECORDS
RECORDED IN PLAT 1, 1984, IN VOLUME 8 OF SURVEYS, PAGE
18. UNDER SURVEY FILE NO. 25846, EXCEPT THE CORNER BEING
RECORDED IN PLAT 1, 1984.

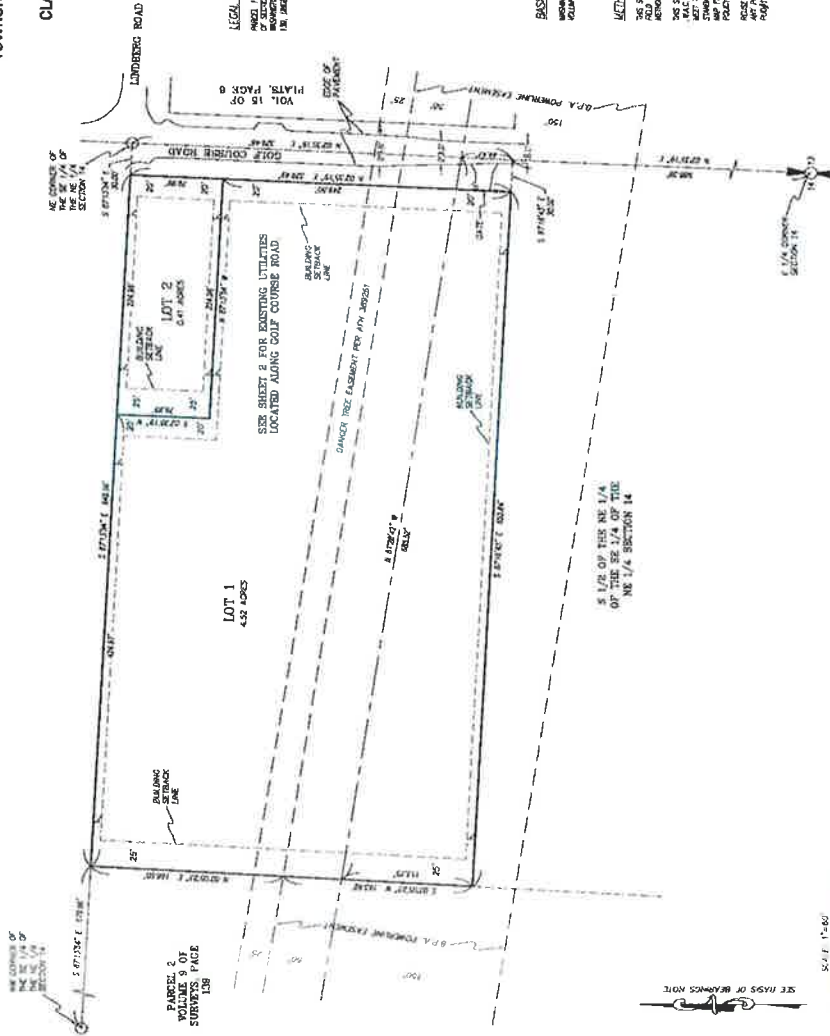
LEGAL DESCRIPTION:

THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER
SECTION 14, AS SHOWN BY THE SURVEY RECORDS
RECORDED IN PLAT 1, 1984, IN VOLUME 8 OF SURVEYS, PAGE
18. UNDER SURVEY FILE NO. 25846, EXCEPT THE CORNER BEING
RECORDED IN PLAT 1, 1984.

BASIS OF RECORDS
RECORDS CONTAINING STREETS, MAPS, ZONING, AND OTHER ACCOUNTS FOR
VOLUMES 8 OF SURVEYS, PAGE 21.

METHOD OF SURVEY

THIS SURVEY WAS MADE BY THE PORT ANGELES
SURVEYING AND MAPPING DIVISION, CLALLAM COUNTY, WASHINGTON.
THIS SURVEY WAS MADE IN ACCORDANCE WITH THE
PROVISIONS OF RCW 41.02-010. THIS SURVEY WAS NOT
RECORDED IN PLAT 1, 1984, IN VOLUME 8 OF SURVEYS, PAGE
18. UNDER SURVEY FILE NO. 25846, EXCEPT THE CORNER BEING
RECORDED IN PLAT 1, 1984.



SECTION 14, TOWNSHIP 30 NORTH, RANGE 6 WEST, W.M.
CITY OF PORT ANGELES
CLALLAM COUNTY, WASHINGTON



SUBJECT'S RESISTANCE
THE APPLICANT REQUESTS AN ORDER AUTHORITY TO RECORD THIS SHORT PLAT.
SPRINT COMMUNICATIONS, LLC
1905 5TH AVENUE, SUITE 200
PORT ANGELES, WA 98101
PHONE: (360) 883-4477
FAX: (360) 883-4477



PRELIMINARY
APR 2 2007 10:47 AM

CLALLAM COUNTY
SHEET 1 OF 2



Planning for Electric Vehicles Update

April/25/2022



SB 5974 Clean Cars 2030



- Establish a goal that passenger and light duty vehicles model year 2030 and later be Electric Vehicles (EVs)
- Applied to both vehicle sales and registration within Washington State
- Legislation vetoed by Governor last year, signed into law 3/25/22
- EVs is a greatly expanded topic in the District's 2021 Electric System Planning Study and long term planning



Primary Technical Sources



- E3 “Economic & Grid Impacts of Plug-In Electric Vehicle Adoption in Washington & Oregon”, 2017
- EPRI “Electric Vehicle Driving, Charging, and Load Shape Analysis”, 2018
- Avista Corporation “Electric Vehicle Supply Equipment Pilot Final Report”, 2019
- PNNL “Electric Vehicles at Scale – Phase II, Distribution System Analysis”, 2022



PUD Assumptions



- 30,400 households and business with electric vehicle(s)
- Local demographics and driving characteristics
- Eventual 17,900 Personal Electric Vehicles (PEV) miles driven per household consisting of all PEVs
- Includes 9% seasonal tourist adjustment to represent area visitors, seasonal residents and elevated seasonal driving
- An additional 7% for commercial fleet vehicle charging (not included in prior EV analysis)
- 33 kWh average per 100 miles driven
 - Includes SUVs and light trucks and some high HP cars
- Seasonal variations based on existing traffic



PUD Assumptions



Bringing Energy To Life™

Charging Type	Portion of Charging KWH	Seasonal Multiplier		
		Summer	Spring-Fall	Winter
Home	75%	1.15	1.00	0.85
Work	20%	1.10	1.00	0.90
Public	5%	1.15	1.00	0.85
Tourist	9%	1.80	1.00	0.2
Fleet	7%	1.00	1.00	1.00



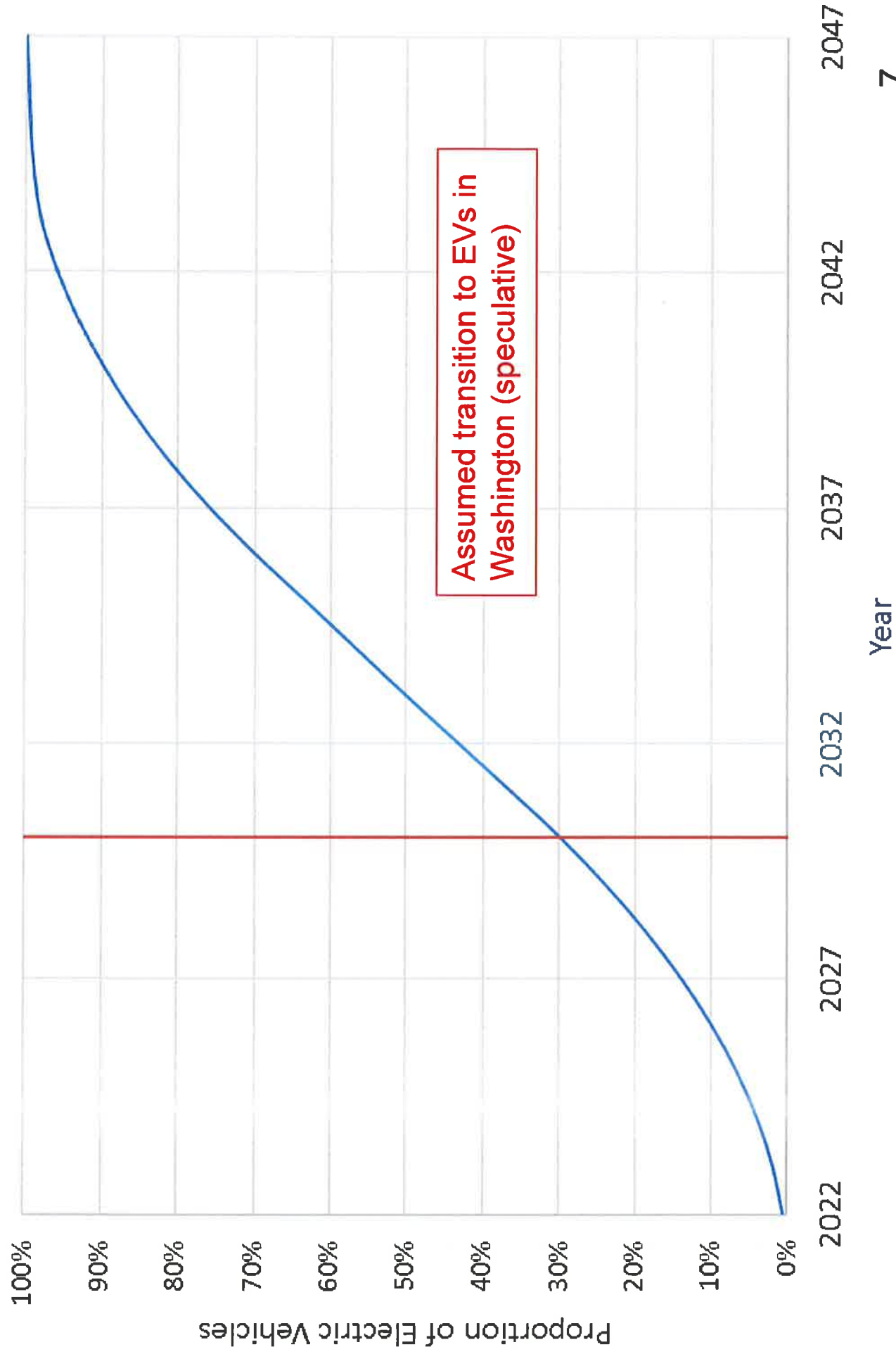
PUD Assumptions



- No future expansive mass transpiration network typically available to urban areas
- General conformance to the E3 study assumptions, but tailored to local characteristics and conditions
- No significant TOU or other behavioral load shaping
- Vehicle electrification extended over a 25 year interval
 - Consistent with industry projections for fastest feasible transition to EVs
 - Considerably slower than what is implied by recent WA State legislation
 - Does not fully consider mining and manufacturing limitations associated with Lithium based batteries – this and associated costs may preclude meeting the WA target

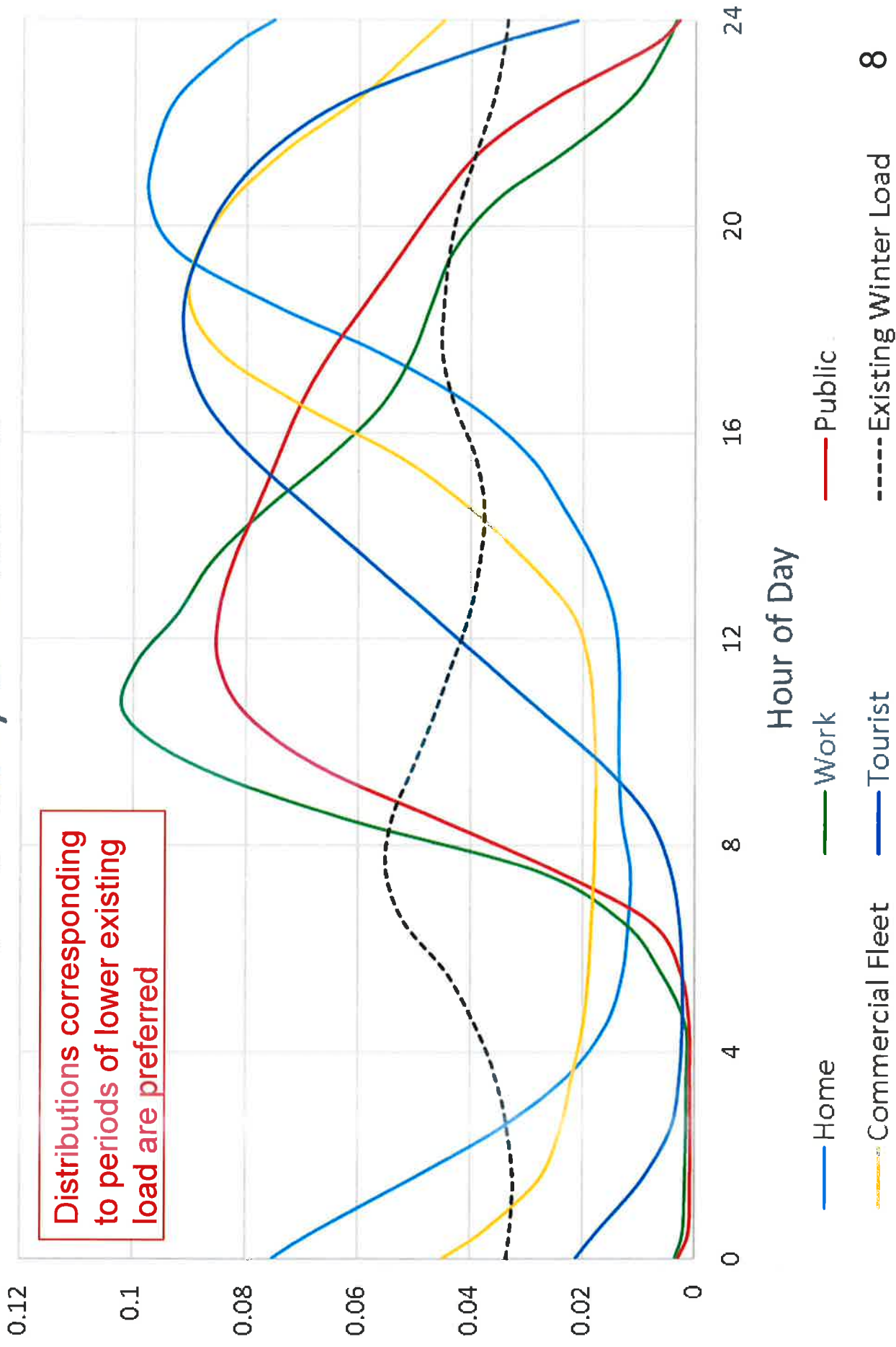


Vehicle Electrification

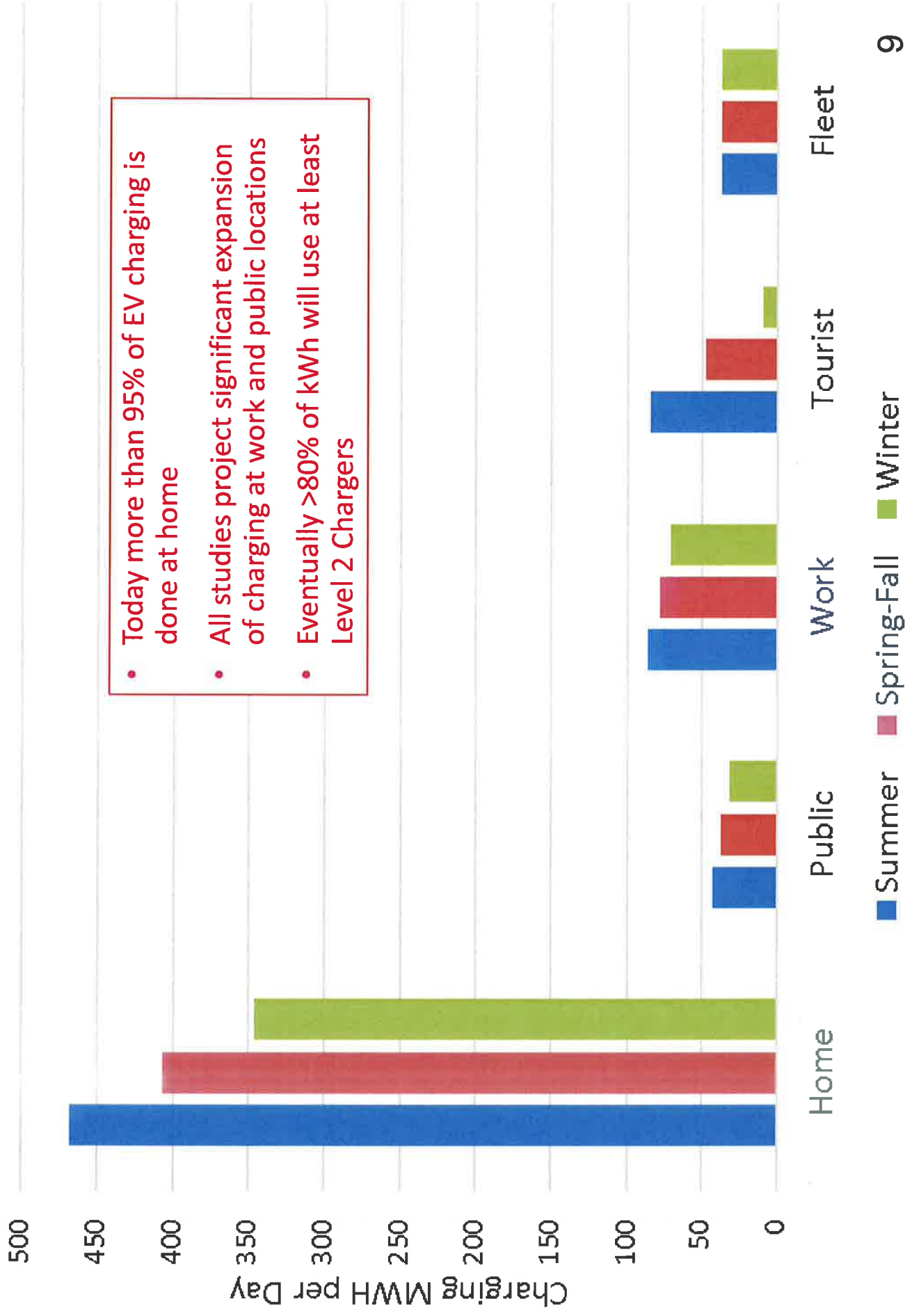


Charging Characteristics by Type

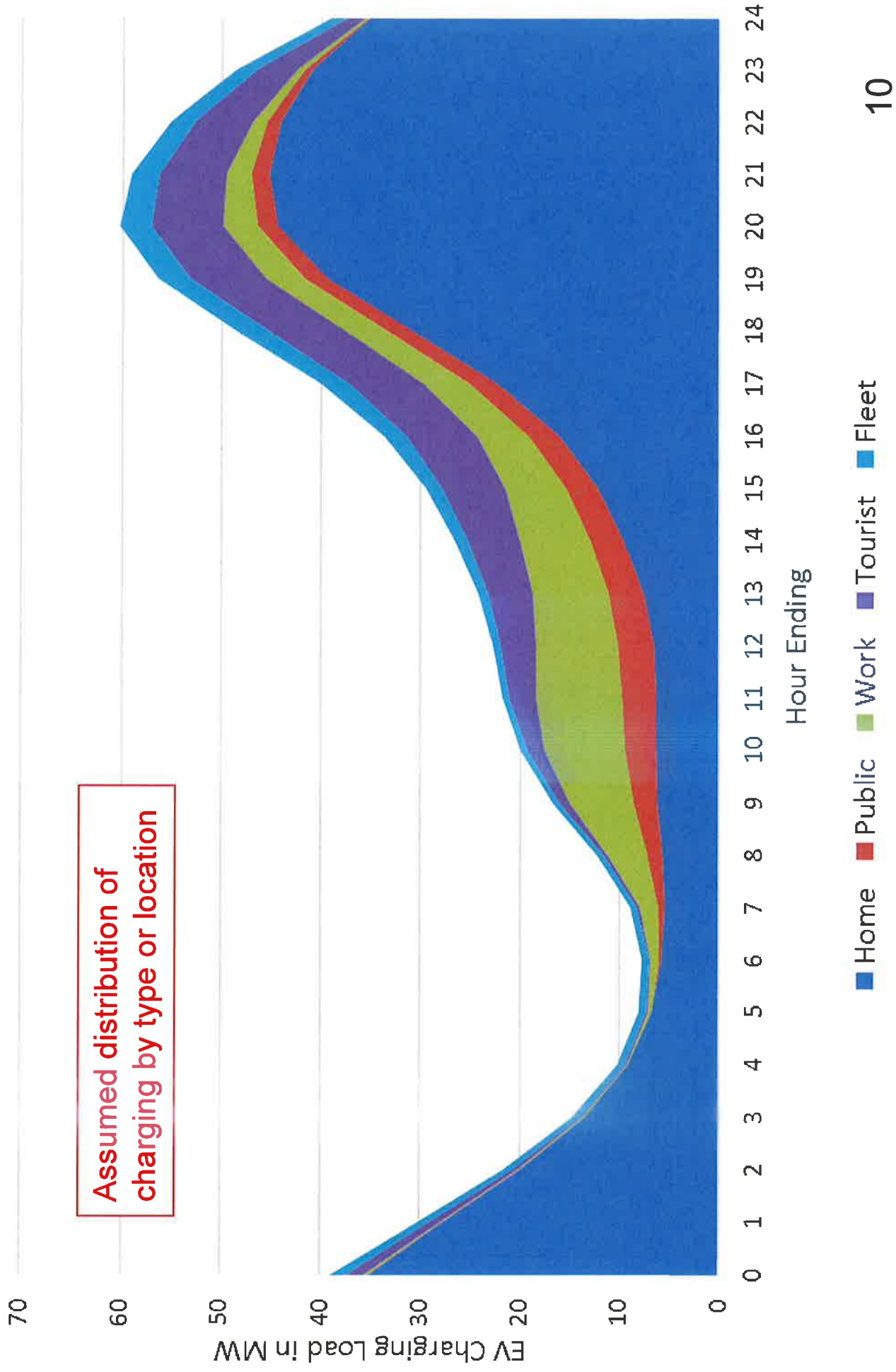
Probability Distribution



Eventual Charging Characteristics

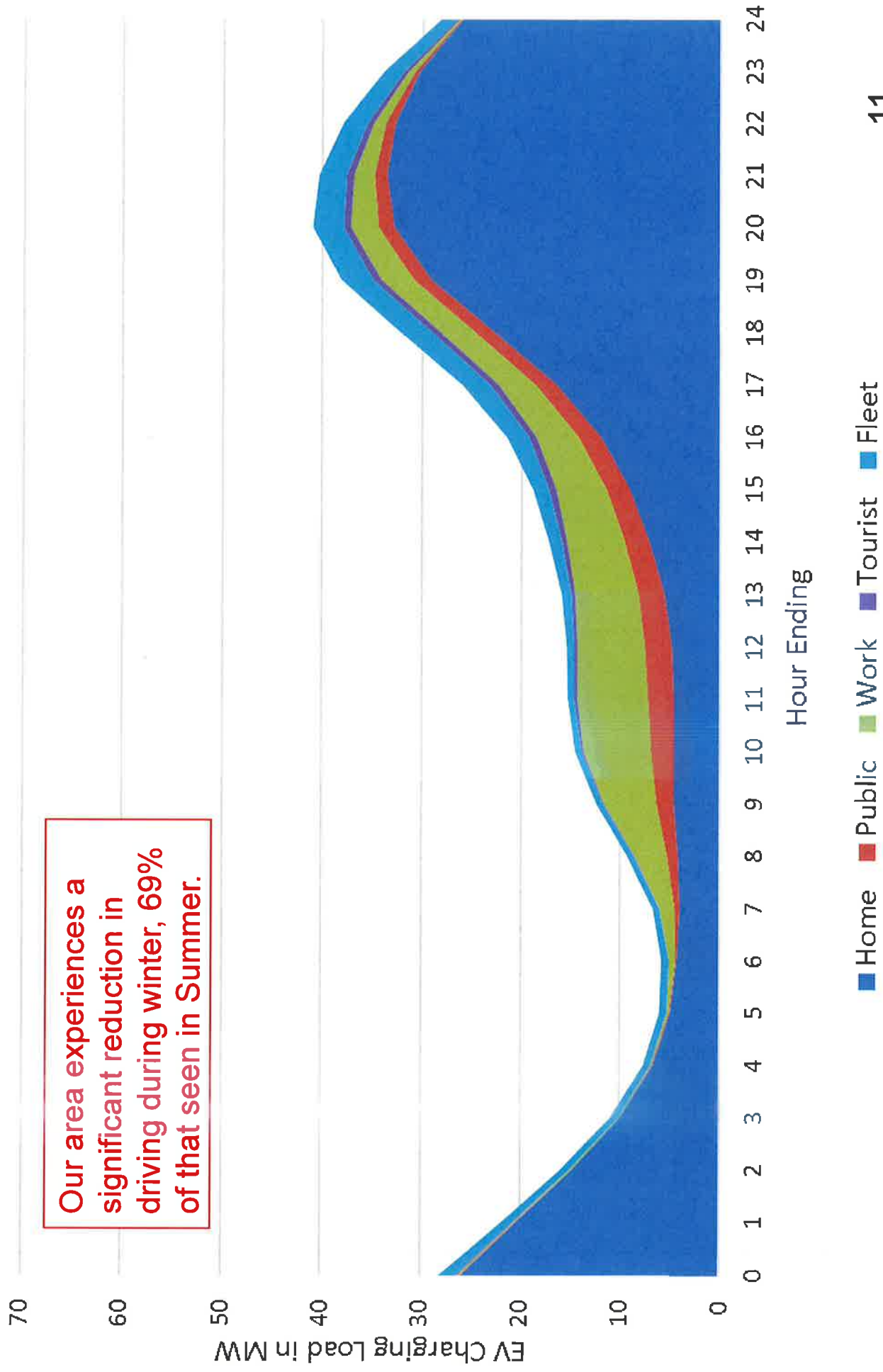


Summer EV Charging



Winter EV Charging

Our area experiences a significant reduction in driving during winter, 69% of that seen in Summer.



EV Charging Characteristics versus Existing Load



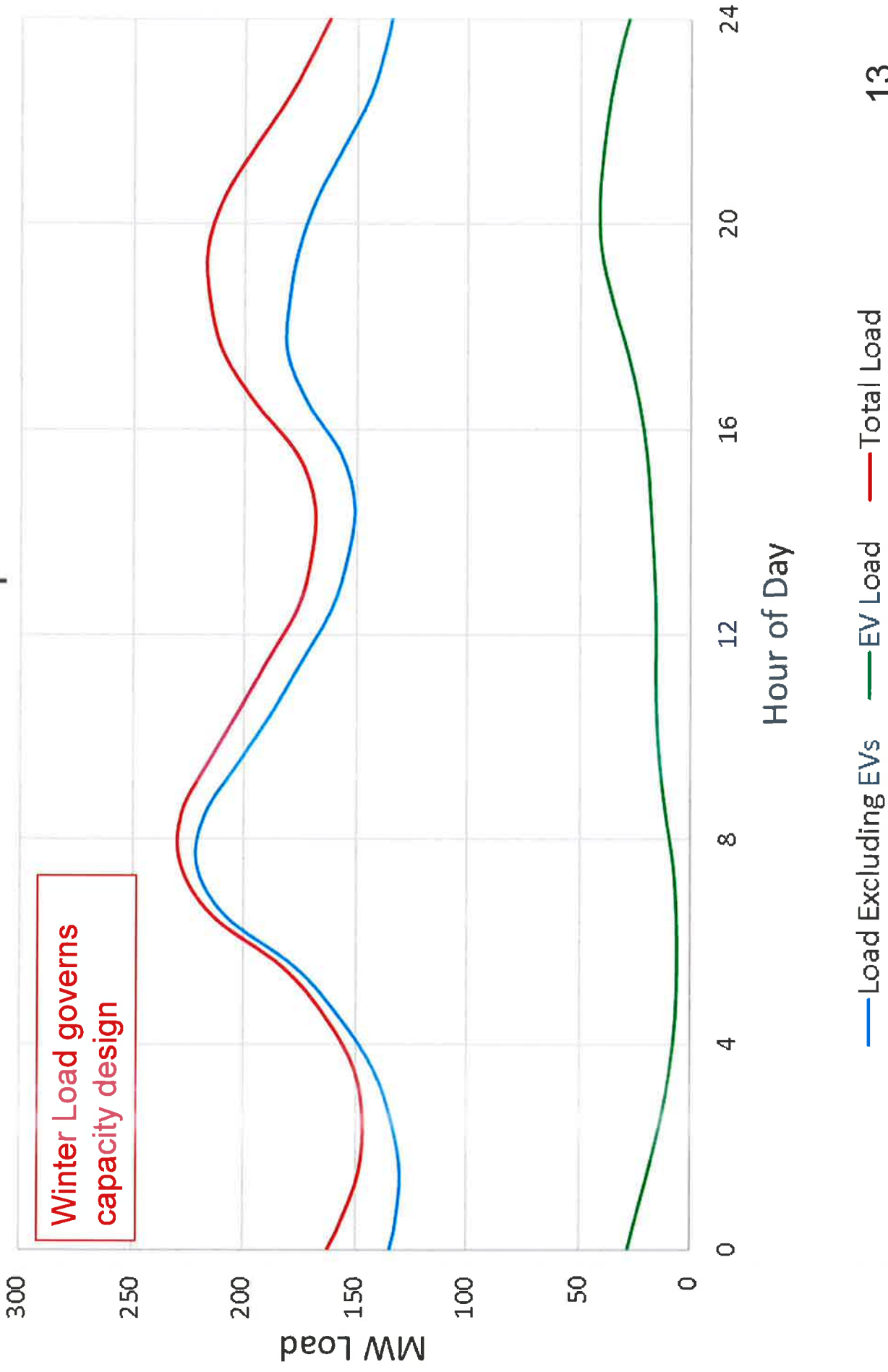
Diversifying Energy To Life™

Charger Type	Winter Peak Correlation	Summer Peak Correlation
Home	-0.448 😊	+0.303 😞
Public	+0.363 😞	+0.842 😞
Work	+0.440 😞	+0.679 😞
Tourist	-0.034	+0.915 😞
Fleet	-0.129	+0.660 😞

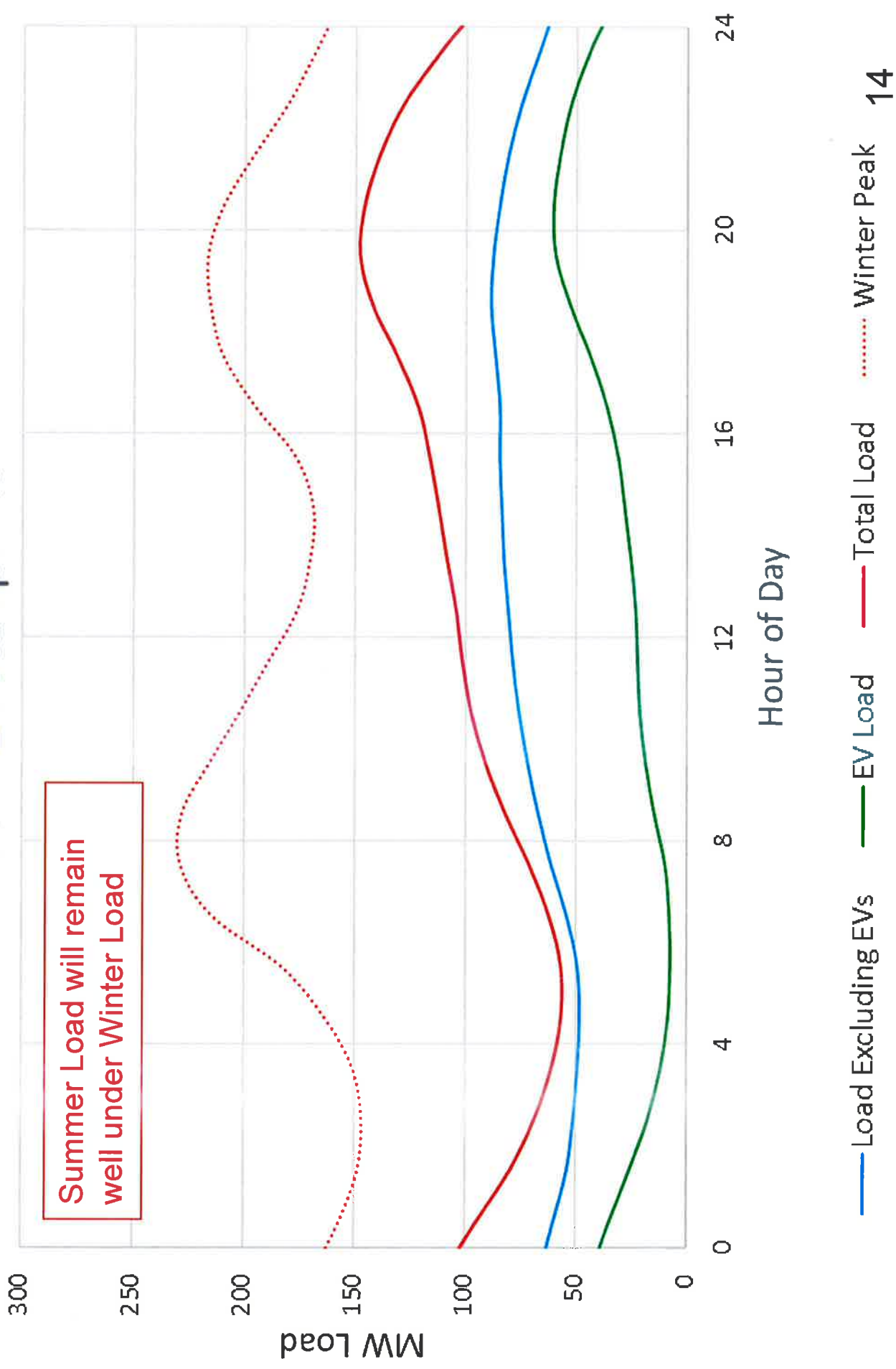
- A positive correlation indicates elevated EV load aligns with elevated existing Electric Load for Clallam’s System
- A constant EV load would equate to a zero correlation
- A more negative the correlation means fewer infrastructure upgrades will be required to accommodate EVs



Extreme Winter Weather Event 100% EV Adoption



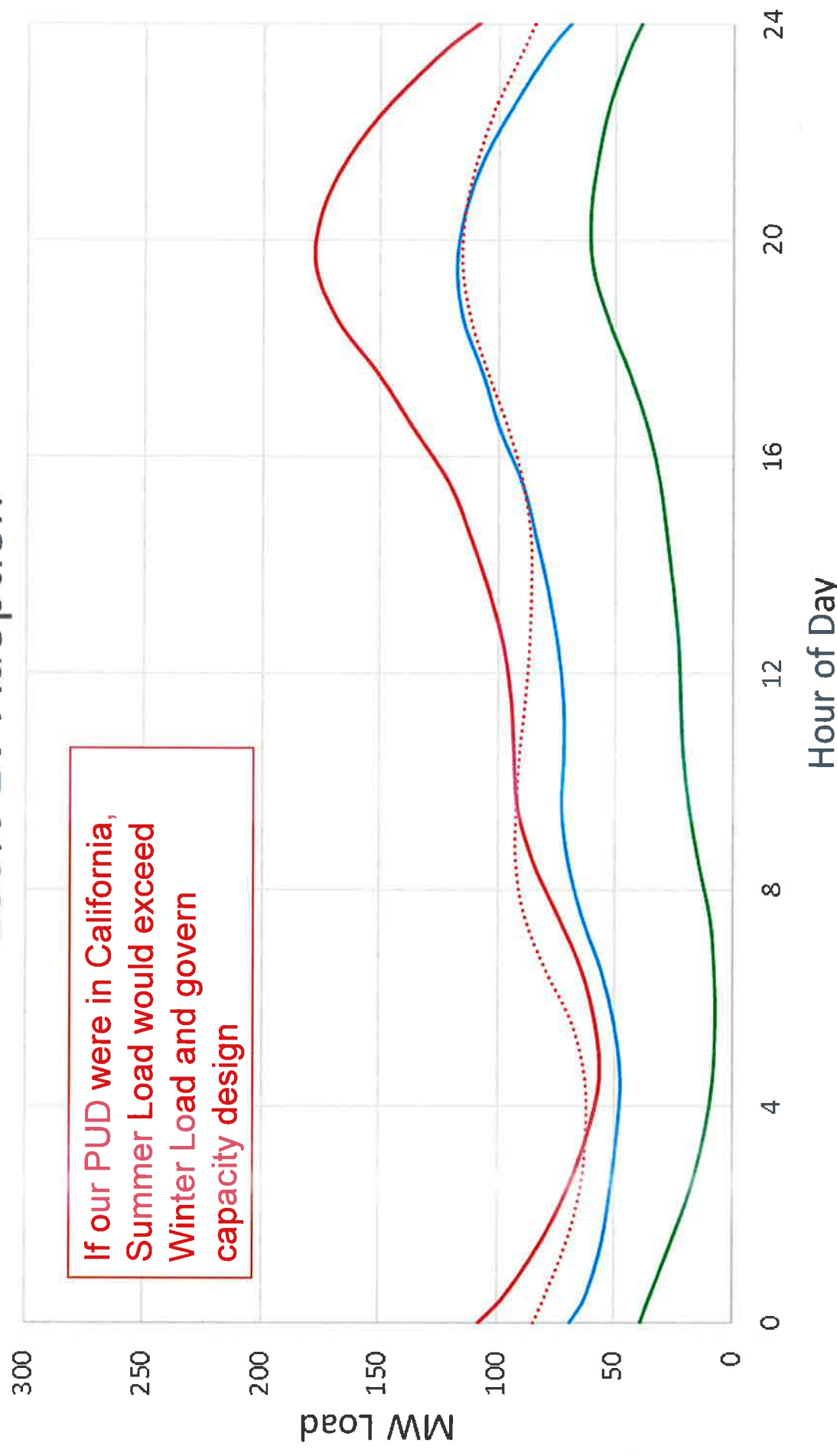
Extreme Summer Weather Event 100% EV Adoption



Extreme Summer Weather Event California

100% EV Adoption

If our PUD were in California, Summer Load would exceed Winter Load and govern capacity design



EV System Impacts



Bringing Energy To Life™

- The District is now a winter peaking with early morning system peak load
- At home EV charging is expected to be near minimum at our current system winter peak, which is very favorable for adopting EVs
- System capacity design requirements are primarily based on winter peak conditions
- Locally, fewer EV miles are driven in Winter versus Summer
- At home EV charging generally has a negative correlation to existing load in Winter – very much preferred to other charging options for the District



➤ If EVs are primarily charged at home, the impact of EVs on Clallam's electric system will be less compared to almost all other electric utilities

	Peak Winter Load (governs)	Peak Summer Load	PUD in California (would govern)
Existing System Peak (<1% EVs)	221.0 MW	89.0 MW	118.1 MW
New System Peak 100% EVs	228.4 MW	147.9 MW	177.8 MW
Demand	+3.4%	+66.1%	+50.7%
KWH Energy	+12.3%	+41.9%	+38.1%
Added Transformer Capacity - Average	+10.5%	+47.6%	+43.6%

- The annual addition of energy may eventually be as high as a 31%
- All Summer peaking utilities will be have significant infrastructure challenges to accommodate EV charging
- BPA will have significant challenges, both infrastructure and power generation, to meet future loads.
- TOU rates and demand response can mitigate demand, but not total energy needed to support EVs



EV System Impacts



Bringing Energy To Life™

- While Clallam PUD is comparatively well positioned for EV growth, there will be significant challenges
- Increased system requirements due to EV growth are system averages, which will not hold for smaller subsets of the system
 - Uneven existing loads and reserve capacities
 - High load variances associated with EVs
 - Standardized material and equipment ratings
- Unit cost for increased EV load served by at home chargers is considerably lower than the additional energy sales due to EVs
- Charging at work places or public facilities may need to be restricted or be subject to extremely high TOU rates for certain intervals to avoid excessive BPA demand charges and PUD infrastructure additions



Power Supply 100% EVs



Bringing Energy To Life™

- Our summer load, now a relatively minor factor with respect to planning, will become more critical
- Regional and western interconnect transmission systems will require significant capacity upgrades and elimination of interconnect bottlenecks
- Requires development of significant new regional generation and creative load management – roughly a 25% increase in power generation
- CETA compliance may become problematic over the next two decades, even for BPA customers
 - BPA supply can not exceed 20% carbon through 2044 – CETA
 - EVs expected to add up to a 31% kWh load addition to Clallam, placing us at risk
 - Substantial integration of new CETA compliant sources necessary
 - Otherwise +2% annual compounded retail sales rate impact
 - Post 2044 zero carbon CETA mandate much more challenging with mass adoption of EVs



PUD Transmission with large EV load



- Clallam PUD existing transmission system is adequate for any conceivable growth in EV scenario
- As Clallam monthly peaks will transition to evenings for most months, and we will become subject to additional external transmission constraints
- Higher BPA transmission charges year round



Distribution Substations with large EV load



- Several substation transformers and associated voltage regulators will require capacity upgrades
- A new substation south of Sequim necessary
- Reduction in substation reserve margins and adverse impact on loss of substation contingencies, unless upgraded
- Substation UG cable getaway capacity restrictions
 - Roughly a dozen station getaway cables will need capacity upgrades or segmentation
- System protection and voltage control modifications



Distribution System with large EV load



Bringing Energy To Life™

- Up to 10% of distribution transformers may need capacity upgrade to support EV charging
- Several hundred new transformers and services required for charging infrastructure
- Significant infrastructure requirements to support commercial “Fast” or “Super” EV chargers?
 - A 4 bay supercharger can have a demand and transformer requirement that is similar to a Walmart Supercenter
- Heavily loaded distribution feeders will require upgrade or division for capacity
- Even some end of line conductor upgrades required for voltage control



Financial Impacts



- Long term capital infrastructure activity likely to increase by up to 20% or \$1,000,000 per year for materials, equipment and contract labor
- In the future, staffing additions will be required to build and support the electric distribution infrastructure required to support EVs, estimated at \$1,400,000
 - +Electric Line Crew?
 - +Substation Technician?
 - +Engineer?
 - +Serviceman helpers?
 - +Power supply analyst?

- Infrastructure upgrades expected to be gradual, over several decades
- Significant load growth should produce significant revenue to support greater infrastructure requirements, but for WA supply will need to be non-carbon



Takeaway



The District needs to plan and prepare for mass adoption of EVs

.....However,

Regional electric systems beyond our borders will be far more stressed than elements inside of our service territory



Public Utility District No. 1 of Clallam County
Treasurer's Report January 31, 2022

	12/31/21			Receipts			Disbursements			1/31/22	1/31/21
	Cash	Transfers	Investments	Cash	Transfers	Investments	Cash	Transfers	Investments		
Electric Funds											
Electric Operating Fund	20,366,720.86	8,869,177.79	446,604.55	7,811,390.34	1,294,459.24		20,576,653.62			10,538,943.60	10,988,435.62
Temporary Investments	6,033,774.94	2,901.30					6,036,676.24			4,725.35	2,068,916.86
Safekeeping Account	4,730.33	0.02		5.00						3,350.00	3,350.00
Working Funds	3,350.00										10,000.00
Escrow in Lieu of Bond Fund											2,000,000.00
Rate Stabilization Fund	3,910,760.94			3,039,420.28			871,340.66				850,382.96
2018 Construction Fund											
2018 Construction Fund - Inv.											
2022 Construction Fund											
2022 Construction Fund - Inv.											
Rural Economic Dev. Fund											67,122.77
CETA Decarbonization Fund	6,351,385.98	1,898.78	575,000.00	6,351,385.98			576,898.78			5,752,590.59	5,752,590.59
Debt Service Funds	2,079,559.50		287,375.49		122,124.98		2,244,810.01			2,357,558.34	3,444,672.44
Debt Service Reserve Fund	3,444,672.44			1,428,585.05			2,016,087.39			3,444,672.44	
Total	42,194,954.99	8,873,977.89	1,308,980.04	18,630,786.65	1,416,584.22		32,330,542.05			38,081,973.18	
Water Funds											
Water Operating Fund	961,967.23	287.47	425,620.67		365,934.07		1,021,941.30			3,751,452.51	3,751,452.51
Water Capital Fund	4,815,471.58	1,439.61	40,951.98				4,857,863.17			1,816,087.76	1,816,087.76
Debt Service Fund - 2019 Loan	3,925.00		3,925.00				7,850.00			7,843.30	7,843.30
Total	5,781,363.81	1,727.08	470,497.65		365,934.07		5,887,654.47			5,575,383.57	
Sewer Funds											
Sewer Operating Fund	70,032.95	20.94	6,982.85		4,399.68		72,637.06			65,187.46	65,187.46
Sewer Capital Fund	141,400.87	42.27	457.43				141,900.57			135,996.05	135,996.05
Total	211,433.82	63.21	7,440.28		4,399.68		214,537.63			201,183.51	
Totals	48,187,752.62	8,875,768.16	1,786,917.97	18,630,786.65	1,786,917.97		38,432,734.15			43,858,540.26	

Interest	Current Month		
	2022	2021	
Electric Funds	10,544.01	10,544.01	24,925.79
Water Funds	1,727.08	1,727.08	888.19
Sewer Funds	63.21	63.21	31.65
Total	12,334.30	12,334.30	25,845.63

Cash & Investments	1/31/22		1/31/21	
	FF/Gesa/Sound Accounts	32,387,982.56	30,785,507.77	
LGIP	-	2,330.01		
Working Funds	3,350.00	3,350.00		
Safekeeping	4,725.35	2,068,916.86		
Investments	6,036,676.24	10,998,435.62		
Total	38,432,734.15	43,858,540.26		

Cash & Investments January 31, 2022

Avg. Weighted Yield	0.70%
Avg. Days to Maturity	358

Electric	Investment Instrument	Yield Rate	Term	Maturity Date	Balance
Gesa CU	CD	0.70%	12 MO.	1/28/2023	3,018,181.51
Gesa CU	CD	0.70%	12 MO.	1/21/2023	3,018,494.73
Subtotal					6,036,676.24

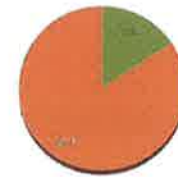
All Systems

LGIP			
Cash	Varied		32,396,057.91

*Cash held at FF, Sound, Gesa and US Bank (incl. Working Funds)

Total \$ 38,432,734.15

Cash & Investment Portfolio



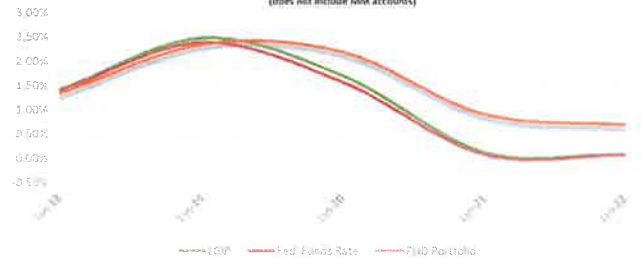
■ CD ■ Cash

LGIP & Fed Funds: Rate History



PUD Investment Yield: History & Comparison

(does not include MMA accounts)



Public Utility District No. 1 of Clallam County
Treasurer's Report January 31, 2022

Cash Receipts

Electric	Collections	8,863,433.88	
	Allocated Interest	5,743.91	
	Subtotal	8,869,177.79	
Temp. Investments	Bond Income	-	
	CD Interest	2,901.30	
	Subtotal	2,901.30	
Safekeeping	Treasury Bond Interest	-	
	Safekeeping Interest	0.02	
	Subtotal	0.02	
CETA Decarbonization Fund	Allocated Interest	1,898.78	
Water	Collections	-	
	Allocated Interest	287.47	
	Subtotal	287.47	
Water Capital Fund	Allocated Interest	1,439.61	
Sewer	Collections	-	
	Allocated Interest	20.94	
	Subtotal	20.94	
Sewer Capital Fund	Allocated Interest	42.27	
	Total	8,875,768.18	

Cash Disbursements

Electric	Checks Iss'd/Fees	7,811,390.34	
	Subtotal	7,811,390.34	
Safekeeping Account	Fees	5.00	
Rate Stabilization Fund	Bond Defeasance	3,039,420.28	
CETA Decarbonization Fund	Bond Defeasance	6,351,385.98	
Debt Service Reserve Fund - 2014	Bond Defeasance	776,524.51	
Debt Service Reserve Fund - 2016	Bond Defeasance	251,438.00	
Debt Service Reserve Fund - 2018	Bond Defeasance	400,622.44	
	Subtotal	10,819,391.31	
Water	Debt Service Fund - 2019 Loan	-	
	Total	18,630,786.65	

Transfers In

Electric	From Water Op warehouse rent	1,990.00	
	From Water Op GIS Loan Payment	-	
	From Wat/Sew Op shared services	39,781.91	
	From Wat/Sew Op Current Month Payroll	161,557.98	
	Intercompany Trfs. - fleet, materials OH, etc.	492.39	
	From Wat/Sew Current Month Voucher & RnV	120,657.29	
	From 2022 Construction Fund	-	
	From Debt Service (Cor. After Defeasance)	122,124.98	
	Subtotal	446,604.55	
CETA Decarbonization Fund	From Elec Op	575,000.00	
Debt Service Funds	From Electric Op monthly debt service transfers	287,375.49	
Water	From Electric Op for Current Month Receipts	425,100.90	
	Intercompany Trfs. - fleet, materials OH, etc. (ES)	519.77	
	From Sewer Op promissory note pymt.	-	
	Subtotal	425,620.67	
Water Capital Fund	From Water Op for charges billed	40,951.98	
	From Water Op Transfer	-	
	Subtotal	40,951.98	
Debt Service Fund - 2019 Loan	From Water Op	3,925.00	
Sewer	From Electric Op for Current Month Receipts	6,982.85	
	Subtotal	6,982.85	
Sewer Capital Fund	From Sewer Op for charges billed	457.43	
	Total	1,786,917.97	

Transfers Out

Electric	To 2010 Electric Debt Service Fund	73,969.78	
	To 2014 Electric Debt Service Fund	64,166.66	
	To 2016 Electric Debt Service Fund	75,150.00	
	To 2018 Electric Debt Service Fund	59,191.64	
	To 2022 Electric Debt Service Fund	14,897.41	
	To CETA Decarbonization Fund	575,000.00	
	To Wat/Sew Op Current Month Receipts	432,083.75	
	Intercompany Trfs. - fleet, materials OH, etc.	-	
	Subtotal	1,294,459.24	
Debt Service Funds	To Electric Op (Cor. After Defeasance)	122,124.98	
Water	To Electric Op Current Month Payroll	159,680.72	
	To Electric Op warehouse rent	1,990.00	
	To Electric Oper shared services	39,377.94	
	To Electric Op Current Month Vouchers & RnV	119,516.04	
	To Electric Op GIS Loan Payment	-	
	Intercompany Trfs. - fleet, materials OH, etc. (E2W)	492.39	
	To Water Capital Fund charges billed	40,951.98	
	To Debt Service Fund - 2019 Loan	3,925.00	
	Subtotal	365,934.07	
Sewer	To Electric Op Current Month Payroll	1,877.26	
	To Elec Oper shared services	403.97	
	To Electric Op Current Month Vouchers & RnV	1,141.25	
	Intercompany Trfs. - fleet, materials OH, etc.	-	
	To Water Op promissory note pymt	-	
	Intercompany Trfs. - fleet, materials OH, etc. (W)	519.77	
	To Sewer Capital Fund charges billed	457.43	
	Subtotal	4,399.68	
	Total	1,786,917.97	

Investments Matured/Purchased

Operating Fund	Subtotal	-
Safekeeping	Subtotal	-
Temp. Investments	Subtotal	-
2022 Construction Fund	Subtotal	-

Investments Matured/Purchased

Operating Fund	Subtotal	-
Safekeeping	Subtotal	-
Temp. Investments	Subtotal	-
2022 Construction Fund - Inv.	Subtotal	-

Public Utility District No. 1 of Clallam County
Treasurer's Report February 28, 2022

	1/31/22			Receipts			Disbursements			2/28/22	2/28/21
	Cash	Transfers	Investments	Cash	Transfers	Investments	Cash	Transfers	Investments		
Electric Funds											
Electric Operating Fund	20,576,653.62	8,371,656.11	3,717,842.11	7,750,099.65	15,590,218.01		9,325,834.18		13,987,562.45		
Temporary Investments	6,036,676.24	7,624.51	14,932,020.00				20,976,320.75		9,279,446.69		
Safekeeping Account	4,725.35	6.15		5.00			4,726.50	14,935,934.84	4,799.17		
Working Funds	3,350.00						3,350.00		3,350.00		
Escrow in Lieu of Bond Fund									10,000.00		
Rate Stabilization Fund	871,340.66						871,340.66		2,000,000.00		
2018 Construction Fund									850,697.23		
2022 Construction Fund - Inv.		8,050,339.00			3,436,648.81		4,613,690.19				
2022 Construction Fund - Inv.											
Rural Economic Dev. Fund									67,147.58		
CETA Decarbonization Fund	576,898.78	180.81					577,079.59		5,754,716.51		
Debt Service Funds	2,244,810.01		287,375.49				2,532,185.50		2,671,947.93		
Debt Service Reserve Fund	2,016,087.39						2,016,087.39		3,444,672.44		
Totals	32,330,542.05	16,429,806.58	18,941,152.44	7,750,104.65	19,026,866.82	14,935,934.84	40,920,614.76		38,074,340.00		
Water Funds											
Water Operating Fund	1,021,941.30	320.29	361,190.41		294,650.41		1,088,801.59		3,529,281.05		
Water Capital Fund	4,857,863.17	1,522.52	13,478.43				4,872,864.12		1,834,770.03		
Debt Service Fund - 2019 Loan	7,850.00		3,925.00				11,775.00		11,764.97		
Totals	5,887,654.47	1,842.81	378,593.84		294,650.41		5,973,440.71		5,375,816.05		
Sewer Funds											
Sewer Operating Fund	72,637.06	22.77	5,969.76		4,724.34		73,905.25		67,463.04		
Sewer Capital Fund	141,800.57	44.47	525.53				142,470.57		136,480.35		
Totals	214,537.63	67.24	6,495.29		4,724.34		216,375.82		203,943.39		

	Interest		
	Current Month	2022	2021
Electric Funds	13,485.52	24,029.53	24,925.79
Water Funds	1,842.81	3,569.89	888.19
Sewer Funds	67.24	130.45	31.65
Total	15,395.57	27,729.87	25,845.63

	Cash & Investments	
	2/28/22	2/28/21
FF/Gesa/Sound Accounts	26,126,034.04	34,356,503.58
LGIP	-	-
Working Funds	3,350.00	3,350.00
Safekeeping	4,726.50	4,799.17
Investments	20,976,320.75	9,289,446.69
Total	47,110,431.29	43,654,099.44

Cash & Investments February 28, 2022

Avg. Weighted Yield	0.70%
Avg. Days to Maturity	291

Electric	Investment Instrument	Yield/Rate	Term	Maturity Date	Balance
Gesa CU	CD	0.70%	12 MO.	1/28/2023	3,019,797.05
Gesa CU	CD	0.70%	12 MO.	1/21/2023	3,020,110.43
U.S. Treasury	U.S. Treas	0.70%	289 Days	11/30/2022	14,936,413.27
				Subtotal	20,976,320.75

All Systems

LGIP		-
Cash	Varied	26,134,110.54
Total		\$ 47,110,431.29

*Cash held at FF, Sound, Gesa and US Bank (incl. Working Funds)

Cash & Investment Portfolio

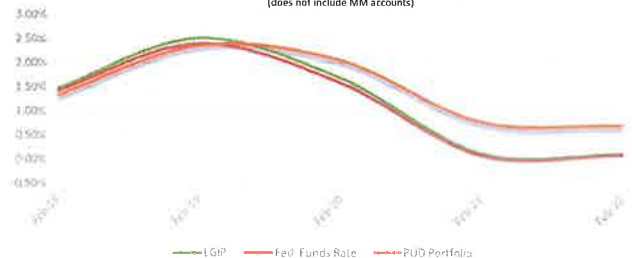


LGIP & Fed Funds: Rate History



PUD Investment Yield: History & Comparison

(does not include MM accounts)



Public Utility District No. 1 of Clallam County
Treasurer's Report February 28, 2022

Cash Receipts

Electric	Collections	8,365,962.06	
	Allocated Interest	5,674.05	
	Subtotal	8,371,636.11	
Temp. Investments	Bond Income	4,393.27	
	CD Interest	3,231.24	
	Subtotal	7,624.51	
Safekeeping	Treasury Bond Interest	-	
	Safekeeping Interest	6.15	
	Subtotal	6.15	
2022 Construction Fund	Bond Proceeds	8,050,339.00	
CETA Decarbonization Fund	Allocated Interest	180.81	
Water	Collections	-	
	Allocated Interest	320.29	
	Subtotal	320.29	
Water Capital Fund	Allocated Interest	1,522.52	
Sewer	Collections	-	
	Allocated Interest	22.77	
	Subtotal	22.77	
Sewer Capital Fund	Allocated Interest	44.47	
	Total	16,431,716.63	

Cash Disbursements

Electric	Checks Iss'd/Fees	7,750,099.65	
	Subtotal	7,750,099.65	
Safekeeping Account	Fees	5.00	
Debt Service Fund - 2010	Principal & Interest	-	
Debt Service Fund - 2014	Principal & Interest	-	
Debt Service Fund - 2016	Principal & Interest	-	
Debt Service Fund - 2018	Principal & Interest	-	
Debt Service Fund - 2022	Principal & Interest	-	
	Subtotal	-	
Water	Debt Service Fund - 2019 Loan	-	
	Total	7,750,104.65	

Transfers In

Electric	From Water Op warehouse rent	1,990.00	
	From Water Op GIS Loan Payment	-	
	From Wat/Sew Op shared services	39,781.91	
	From Wat/Sew Op Current Month Payroll	138,024.66	
	Intercompany Trfs. - fleet, materials OH, etc.	3,255.11	
	From Wat/Sew Current Month Voucher & RnV	98,141.62	
	From 2022 Construction Fund	3,436,648.81	
	Subtotal	3,717,842.11	
Safekeeping Account	From Elec Op	14,935,934.84	
Debt Service Funds	From Electric Op monthly debt service transfers	287,375.49	
Water	From Electric Op for Current Month Receipts	360,084.42	
	Intercompany Trfs. - fleet, materials OH, etc. (ES)	1,105.99	
	From Sewer Op promissory note pymt.	-	
	Subtotal	361,190.41	
Water Capital Fund	From Water Op for charges billed	13,478.43	
	From Water Op Transfer	-	
	Subtotal	13,478.43	
Debt Service Fund - 2019 Loan	From Water Op	3,925.00	
Sewer	From Electric Op for Current Month Receipts	5,969.76	
	Subtotal	5,969.76	
Sewer Capital Fund	From Sewer Op for charges billed	525.53	
	Total	19,326,241.57	

Transfers Out

Electric	To 2010 Electric Debt Service Fund	73,969.78	
	To 2014 Electric Debt Service Fund	64,166.66	
	To 2016 Electric Debt Service Fund	75,150.00	
	To 2018 Electric Debt Service Fund	59,191.64	
	To 2022 Electric Debt Service Fund	14,897.41	
	To Safekeeping Account	14,935,934.84	
	To Wat/Sew Op Current Month Receipts	366,054.18	
	Intercompany Trfs. - fleet, materials OH, etc.	653.50	
	Subtotal	15,590,218.01	
2022 Construction Fund	To Electric Op	3,436,648.81	
Water	To Electric Op Current Month Payroll	135,146.63	
	To Electric Op warehouse rent	1,990.00	
	To Electric Oper shared services	39,377.94	
	To Electric Op Current Month Vouchers & RnV	97,477.30	
	To Electric Op GIS Loan Payment	-	
	Intercompany Trfs. - fleet, materials OH, etc. (E2W)	3,255.11	
	To Water Capital Fund charges billed	13,478.43	
	To Debt Service Fund - 2019 Loan	3,925.00	
	Subtotal	294,650.41	
Sewer	To Electric Op Current Month Payroll	2,878.03	
	To Elec Oper shared services	403.97	
	To Electric Op Current Month Vouchers & RnV	664.32	
	Intercompany Trfs. - fleet, materials OH, etc.	-	
	To Water Op promissory note pymt	-	
	Intercompany Trfs. - fleet, materials OH, etc. (W)	252.49	
	To Sewer Capital Fund charges billed	525.53	
	Subtotal	4,724.34	
	Total	19,326,241.57	

Investments Matured/Purchased

Operating Fund			
	Subtotal	-	
Safekeeping			
	Subtotal	-	
Temp. Investments	Purchase (principal amount)	14,932,020.00	
	Subtotal	14,932,020.00	
2022 Construction Fund			
	Total	14,932,020.00	

Investments Matured/Purchased

Operating Fund			
	Subtotal	-	
Safekeeping	Purchase (principal plus accrued interest)	14,935,934.84	
	Subtotal	14,935,934.84	
Temp. Investments			
	Subtotal	-	
2022 Construction Fund - Inv.			
	Total	14,935,934.84	