Vice President Gonser called the Special Session Meeting, conducted by Webinar, to order at 1:04 p.m. since President Howe had not yet connected to the webinar by telephone.

The following individuals participated in the Webinar Meeting:

**Counsel:** James Foster

**NWCPUD Staff:** General Manager Roger Kline; Assistant General Manager/Director of Power Resources Kurt Conger; Principal Engineer/Chief Innovation Officer Paul Titus; Corporate Services Director Cyndi Gentry; Executive Assistant Kathy McBride; Key Accounts Manager Justin Brock; and Chief Financial Officer/Director of Finance & Enterprise Risk Harvey Hall

**Visitors:** None

**REVIEW AND APPROVAL OF RESOLUTION #04-2020 IN THE MATTER OF AMENDING THE EFFECTIVE DATE OF DISTRICT TARIFF RATES, WHICH WERE ADOPTED FOR NORTHERN WASCO COUNTY PEOPLE'S UTILITY DISTRICT IN FEBRUARY 2020.**

Vice President Gonser turned the meeting over to General Manager Roger Kline.

General Manager Roger Kline stated that he was directed to facilitate a meeting so that the Board of Directors could consider delaying the increase in the District’s Tariff Rates, which are to become effective on May 1, 2020. Kline noted that due to the COVID-19 Pandemic the Regular Session is being conducted by a webinar.

Chief Financial Officer/Director of Finance & Enterprise Risk Harvey Hall presented a PowerPoint Presentation entitled “2020 Rate Action Deferral”. A copy of said PowerPoint Presentation is hereto attached and marked as Exhibit 1.

Highlights of Hall’s presentation are as follows:
• The financial impact of the 2020 3.8% rate deferral is:
  ➢ District retail revenue budget will be reduced by $650,000 over the next year.
  ➢ Defer extending discount rates 110 and 135 to income qualified customers.
  ➢ District has $1.6 million in Rate Stabilization Reserves available to support rate action deferral.

• Proposed rates next steps:
  ➢ Revised rate funded Capital Improvement Plan for 2020-2021.
  ➢ Manage O&M (Operation & Maintenance) spending in 2020 reducing spending reduction action as needed.
  ➢ Perform Cost of Service Analysis this fall to determine rate action needs in 2021 and beyond.

The Board did not have any questions upon the conclusion of Hall's presentation.

{{Director Jacobson moved to approve Resolution #04-2020 in the matter of amending the effective date of District Tariff Rates, which were adopted for Northern Wasco County People's Utility District in February 2020. Director Karp seconded the motion.

Vice President Gonser read the Resolution out loud since the meeting was being conducted by webinar.

Vice President Gonser called for the vote.

Directors Jacobson, Karp, Howe and Gonser voted yes to the motion. There was no one voting against the motion.

General Manager Kline noted that Director Williams was unable to connect to the webinar. Kline received a text from Director Williams indicating that he would vote yes to the motion.

General Counsel stated that Director Williams vote would not count since he was unable to participate in the Regular Session Meeting.

The motion passed unanimously.}}}

There was no other business to discuss.

General Manager Kline stated that staff appreciates the Board's support; it is an optimal use of the District's Rate Stabilization Reserves.
Hall stated that the Resolution indicates that the Tariff Rates would become effective on May 1, 2021, however the rates may need to be different from the adopted rates due to the outcome of this fall's Cost of Service Analysis.

General Counsel Foster stated that the Board would need to amend their Resolution if the adopted Tariff Rates, to become effective on May 2021, are recommended to be amended.

Vice President Gonser stated that he thinks it is a wonderful move by the Board and staff to help our customers out during this difficult time. District customers will be happy that the increase in rates will not become effective until next year.

President Howe stated that he is impressed with the technology which allows the meeting to be held electronically rather than in person. He asked if the Board’s decision will be put in the local newspaper.

Director of Corporate Services Cyndi Gentry noted that she has sent something to General Manager Kline for his review and approval. A Press Release will be distributed to the public and will be placed on Facebook.

There being no further business the meeting adjourned at 1:17 p.m.

President

ATTEST:

Secretary
2020 Rate Action Deferral

April 1, 2020

EXHIBIT 1
FINANCIAL IMPACT OF 2020 3.8% RATE DEFERRAL

- District retail revenue budget will be reduced by $650,000 over the next year.

- Defer extending discount rates 110 and 135 to income qualified customers.

- District has $1.6M in Rate Stabilization reserves available to support rate action deferral.
PROPOSED RATES NEXT STEPS

• Revise rate funded Capital Improvement Plan for 2020-2021.

• Manage O&M spending in 2020 reducing spending reduction action as needed.

• Perform Cost of Service Analysis this fall to determine rate action needs in 2021 and beyond.
Strategic Dials

CONSIDERING STRATEGIC DIALS IN RATE DESIGN

Key Strategic Dials – The art of finding the optimal balance

- Rates
- Reliability
- Risk
- Revenue
- Regulatory Compliance