NORTHERN WASCO COUNTY PEOPLE'S UTILITY DISTRICT
REGULAR SESSION
JUNE 2, 2020

PRESENT:  Roger Howe, President
          Howard Gonser, Vice President
          Dan Williams, Secretary
          Wayne Jacobson, Treasurer
          Connie Karp, Director

President Howe called the Regular Session to order at 6:00 p.m.

General Manager Roger Kline will be assisting President Howe in facilitating the GoToMeeting.

The following individuals were present during the Regular Session being conducted in person and by GoToMeeting:

Counsel:  James Foster

NWCPUD Staff (attending in person and online):  General Manager Roger Kline; Assistant General Manager/Director of Power Resources Kurt Conger; Principal Engineer/Chief Innovation Officer Paul Titus; Executive Assistant Kathy McBride; Interim Engineering & Operations Manager Steve Horzynek; Customer Service/Key Accounts Manager Justin Brock; Network Administrator Robert Casaubon (all attending in person); and Corporate Services Director Cyndi Gentry; Chief Financial Officer/ Director of Finance & Enterprise Risk Harvey Hall; Operations Supervisor Ed Ortega; and Senior Financial Analyst/Contracts, Risk and Supply Chain Sue Powers (all attending online).

Online Attendee:  John Amery

PUBLIC COMMENT PERIOD

There were no public comments.

REQUESTS FOR ADDITIONS OR DELETIONS TO AGENDA

There were no requests to add or delete items from this evening's Regular Session Agenda.
OLD BUSINESS

There was no Old Business to discuss.

CONSENT AGENDA

Items contained in the consent portion of the Agenda includes the following:

- Regular Session Minutes of May 5, 2020
- Outage Report
- Energy Management/Marketing Report
- April Checks/Vouchers
- April Financial Report

The Board considered the approval of the June 2, 2020 Consent Agenda.

{{Director Williams moved to approve the June 2, 2020 Consent Agenda as presented. Director Gonser seconded the motion; it was then passed unanimously.}}

CONTRACT REVIEW BOARD

At 6:02 p.m. the Board recessed from Regular Session to convene as the Contract Review Board.

Notice of Intent to Award Contract for Chenoweth-Harvey 115 kV Line Removal – Construction Services:

Assistant General Manager/Director of Power Resources Kurt Conger stated that the Board Packet includes his memorandum on the Chenoweth-Harvey Line Removal Contractor recommendation. A copy of Conger's memorandum is hereto attached and marked as Exhibit 1.

The following is a summary of Conger's presentation on staff's recommendation to award a contract to Magnum Power:

- Conger's memorandum includes some history of the Chenoweth-Harvey line, Bonneville Power Administration's (BPA) ownership, the smelter site, and the District's ownership of the transmission line.
- A plan of service has been developed by staff for the smelter site which involves replacing the 115-kV transmission line with a 230-kV line.
The removal of the existing 115-kV double circuit line is required in order to construct the 230-kV line.

Staff issued an Invitation to Bid (ITB) for contractors to describe their methods and to state a cost for the removal of the steel lattice towers and conductors, re-termination of the line in the RiverTrail Substation, and the recycling of the steel and aluminum conductors.

A total of eleven (11) bids from eight (8) contractors were received.

Some contractors submitted two bids – one for performing the work while the Discovery Substation is de-energized, and one for performing the work while the Discovery Substation is energized.

It was determined that performing the work would be too risky and dangerous with the Discovery Substation still energized.

Staff used weighting and a point scale process to evaluate the bids. Staff wanted to make sure the proposal would include sound technical means and methods for the removal of the line.

The proposals ranged from $309,849.58 to $1,244,987.21.

The top three proposals were identified by staff upon the completion of the evaluation process. Magnum Power submitted the lowest cost proposal.

Conger stated that staff is recommending that the Board approve the award of the Chenoweth-Harvey Line Removal Project to Magnum Power, highest scoring bid, at a cost of $309,849.58; said award is contingent upon the following conditions: approval of final contract terms found to be satisfactory to the District’s General Counsel and General Manager; and conclusion of the funding agreement with the customer receiving service from the new 230-kV transmission line.

Some brief discussion occurred, upon the conclusion of Conger’s presentation, after Director Williams raised a question as to what the District paid for the existing transmission line.

Conger noted that the transmission line cost the District $485,000. The cost was based on the value of the land easements. The lattice towers, insulators, and conductors were determined to be fully depreciated by BPA.

Conger stated that greater detail can be provided during the Executive Session of why the removal of the existing line is necessary. The status of the funding agreement can also be discussed.

{Director Williams moved to accept staff’s recommendation that the Chenoweth-Harvey Line Removal Project be awarded to Magnum Power for the cost of $309,849.58; said award is contingent upon the following conditions: approval of final contract terms found to be satisfactory to the District’s General Counsel and General Manager, and conclusion of the funding agreement with the customer receiving service from the new 230-kV transmission line; and that Resolution}
#10-2020 in the matter of awarding the Chenoweth-Harvey Line Removal Project to Magnum Power subject to conditions be approved. Director Jacobson seconded the motion.

Some discussion occurred after Director Jacobson asked if the Board should wait until after the Executive Session before rendering a decision in order to obtain additional information.

Conger informed the Board that staff is making excellent progress in working out the terms of the funding agreement with the customer. If the motion is passed, the award is contingent upon the execution of the funding agreement.

The vote was called for. The motion passed unanimously.}

At 6:10 p.m. the Board adjourned as the Contract Review Board and returned to Regular Session.

**DIVISION UPDATES**

**Engineering & Operations:**

Interim Engineering & Operations Manager Steve Horzynek reported as follows:

Training:

- At the beginning of the year, Engineering and Operations staff signed up for a variety of trainings, such as: Engineering Staking, Poly Phase Metering, Engineering and Operations Conference, Leadership Skills, and Foreman Leadership.
- Due to the COVID-19 Pandemic all trainings have been placed on hold.

Safety:

- The District’s safety program was previously based on in-person group meetings.
- Due to the COVID-19 Pandemic, staff has adapted to online virtual trainings during this period allowing the District to maintain Occupational Safety and Health Administration (OSHA) compliance.

Vehicle Maintenance:

- Staff is keeping up with all maintenance and inspection requirements for the District’s vehicle fleet.
Projects:

- The Moody Road Rebuild Project is in the final engineering phase.
- The Rowena Rebuild Project has been scaled down and will be handed off to a new engineering firm.
- The upgrade of the AMI (Automated Metering Infrastructure) CT (Current Transformer) and Instrument Meters is progressing.

Windstorm Outage:

- At the Pinewood Mobile Manor, a tree fell pulling down the District’s transformer pole, along with several customer meter poles.
- Service was restored on Monday after the tree was removed and new meter poles installed by the property owner.
- A tree fell across a single-phase line breaking the pole and crossarm in Wamic.
- The District’s crew replaced the pole and restored service by 5:00 a.m. on Sunday, May 31st.
- The District’s Outage Management Tracker is a great tool in helping to restore services. It allows staff to verify outages with customer calls and validate locations affected by the storm.

A PowerPoint Presentation was shown of photos taken on May 30, 2020 during the recent windstorm. Principal Engineer/Chief Innovation Officer Paul Titus described the storm damage as shown in the photos. A copy of the PowerPoint Presentation of the storm photos is hereto attached and marked as Exhibit 2.

General Manager Roger Kline stated that Operations Manager Ed Ortega, reported online, that the outage at the Pinewood Mobile Manor impacted seven (7) or eight (8) customers for 48 hours, while the outage in Wamic impacted eight (8) customers for eight (8) hours. The storm repairs were done within house by District staff.

Some discussion occurred after questions were raised by members of the Board of Directors regarding the recent outages. The outage in Rowena was also discussed.

Horzynek further reported as follows:

Michels Power:

- Michels Power’s crew continues to complete line rebuild projects throughout the community while working safely and adhering to social distancing requirements.
- Projects were completed on Fairview and East 21st Street, Jefferson and East 18th Street, Oregon and East 14th Street, Oregon and East 19th Street, and Viewpoint Mobile Home Park.
Michels Power is currently rebuilding the line between Celilo Inn and Columbia View Drive.

Staffing:

- During the COVID-19 Pandemic, Engineering and Operations staff work a variety of rotations in the office and at home while keeping up with their work responsibilities.
- District Linemen are offsite but are on call, with one Lineman covering as a Serviceman during the day.
- Staff works together, as needed, on outages or customer service projects that require more than one person.

Finance:

Chief Financial Officer/Director of Finance & Enterprise Risk Harvey Hall reported as follows:

- The District ended the month of April 2020, with a $67,000 net income loss.
- As of April, the District is at a positive $1,000 net income year to date.
- Some contributing factors for the net income loss include the District making a one-time payment to The Dalles Riverfront Trail Committee in the amount of $50,000; energy sales in April were lower by about 6% from March usage; and an increase in past due customer accounts.
- Past due customer accounts amount to around $98,000; that dollar amount has not moved much in the last month.
- Overall for the year, metrics are looking good.
  - The Debt to Asset and Operating Ratios continue to stay positive.
  - The Current Ratio is at a healthy 2.38.
  - The District set a target of 1.75 for the Debt Service Coverage Ratio; it is currently sitting at 6.07.
  - The current operational level for Days Cash is set at 165 days; currently Days Cash is at 185.34 days.
- In all respects, the District ratios are very strong. The District continues to operate very prudently.
- Last month the Board authorized staff to execute the $4 million draw on the District’s $10 million line of credit facility with Cashmere Valley Bank. Hall initiated that draw process today. The District should have the funds in our account early next week.
- The $4 million will be combined with the current amount of $2.6 million in the borrowed balance for capital work. That gives the District $6.6 million in capital funds to cover the $6.3 million in required work for 2020/2021.
• The District will have enough funding without any help from current financials to cover all essential projects identified through the end of next year.

• Hall reminded the Board that the District still has $2.7 million in possible projects, and $2.7 million in the deferrable category. These are projects that need to be continuously reviewed and looked at by staff. At some point should the board decide that they would like to pursue these projects, staff would want to open up the discussion of a new line of credit.

Some discussion occurred after questions were raised by President Howe and Director Gonser regarding how staff is balancing capital projects with District revenue that has changed due to the impact of COVID-19 on the economy, what happens if customer past due accounts double or triple by end of summer, and will the District have unspent weatherization funding at year end.

Hall responded by stating the following:

• The District has $4.6 million available in the Rate Stabilization Fund, which could address any revenue loss due to the COVID-19 Pandemic.

• Customer Service will be reaching out to customers who are struggling to pay their electric bill. Staff is not anticipating that overdue customer accounts is lost money. This is an opportunity for staff to partner with our customers.

• The District is making some expenditures on weatherization, while at the same time we are saving money by staff not traveling and attending training. That is part of the reason the District’s net income is still positive.

• Divisional reviews of budget to actuals is occurring. A review was held today with General Manager Roger Kline for Departments 1 (Administration) and 11 (Board).

Some discussion occurred after a question was raised by President Howe regarding committed dollars to pay bond costs.

Hall informed the Board that the District has committed the amount of $3 million for the 2016 bonds. The District could use all of the $4.6 million in the Rate Stabilization Fund. The part that cannot be touched, unless it is an emergency, is the Debt Service Coverage amount that has been set aside in the reserves, which is about $796,000.

Follow Up on Risk Heat Map:

Hall discussed with the Board the information provided in his memorandum regarding the Risk Assessment Ranking and Heat Map. A copy of Hall’s memorandum is hereto attached and marked as Exhibit 3.

Hall explained the assessment, scoring, and ranking process undertaken by staff when identifying the District’s top risks. The attachments to Hall’s memorandum was referred to during his presentation.
Director Williams noted that the Board’s risk appetite and tolerance may have changed due to the COVID-19 Pandemic.

Director Gonser stated that he would assume the Board’s appetite for risk will vary periodically throughout the year depending upon current circumstances.

Hall also reported on the following:

- The State of Oregon has money from the federal government to allocate to Special Districts due to the COVID-19 Pandemic.
- The District is eligible to receive this funding.
- Hall has made a reimbursement request in the amount of $2,704 for Phase I to cover anything that the District did in keeping employees safe during the Pandemic and for some equipment, such as N95 face masks. This reimbursement covers the District through May 15th. There will be a Phase II that staff will submit for as well, which will cover costs such as the sneeze guards located at the customer counter in the front office.
- The “State of the Property Market, March 2020” Insurance Report was provided in the Board Packet from Marsh USA, District Hydro Insurance Carrier. The report provides some initial impacts on the insurance market. Nationally, in the first quarter of 2020, premiums are going up just over 20%.
- District Insurance Agent of Record Jeff Griffin, Wilson Heirgood Associates, has indicated that the insurance premiums for property and casualty could increase in the 15% to 20% range, with an estimated premium impact to the District of $25,000.
- The Finance Department is in the process of transferring the customer billing function to the Customer Service Department, as Customer Service/Key Accounts Manager Justin Brock takes over the Department.
- Financial Analyst Neticia Fanene will take over payroll responsibilities from Financial Analyst Bethany Pounds, while Pounds will take on the billing responsibilities from Fanene.
- Staff is kicking off the 2021 budget process. Each department is looking at activity changes in 2021 as compared to 2020 activities. Staff is looking at an inflation impact of about 2.5%.

**Power Resources:**

Assistant General Manager/Director of Power Resources Kurt Conger provided the following report:
Hydro Department Updates:

- Bonneville Power Administration (BPA) transmission line outages on the afternoon of Saturday, May 30, 2020 affected The Dalles and McNary Hydroelectric Fishway Plants.
- As a result, Conger estimated that the District lost four hours of generation at The Dalles Fishway Plant, and three hours at McNary Fishway Plant. By 7 p.m. both plants were back online generating power.
- Conger noted, after a question was raised by Director Williams, that the District is in good shape, load levels were low, and we had plenty of surplus power. Prices were quite low.
- The performance at the McNary Fishway Plant has been very good.
- The McNary Fishway Plant has run for 3,134 hours since the winter outage ended on January 20th.
- A total of 30,996,270 kWh has been produced through May 29th at the McNary Fishway Plant.
- The District has two (2) full time, and three (3) part-time employees working at McNary.
- The big project at the McNary Fishway Plant is the Elevator-Stairway Replacement Project.
- McMillen Jacobs has prepared the project’s design concept and is presenting it to the U.S. Army Corps of Engineers to get their consent to construct the facility.
- The current cost of the project is estimated at over $1 million.
- The performance at The Dalles Fishway Plant is also good; the plant has been running for a total of 2,995 hours since January 1, 2020.
- A total of 15,524,836 kWh has been produced through May 29th at The Dalles Fishway Plant.
- The Dalles Fishway Plant employs four (4) full time, and one (1) part time employees.
- The Juvenile Fish Sampling Facility Project is the current activity at the plant.
- Staff has an invitation to bid ready for issuance for the Juvenile Fish Sampling Facility Project. Staff has not had sufficient time to get final review and to do contractor canvassing; staff will continue to push ahead.
- Staff will be getting contractors lined up by end of 2020 and early 2021.

RECs (Renewable Energy Credits):

- The District’s Renewal Energy Credits (RECs) are getting more interest amongst the broker community.
- The District’s RECs come from three different sources: The Dalles and McNary Hydroelectric Fishway Plants (Oregon Certified RECs), and BPA (Bonneville Power Administration) with Wind Energy and Incremental Hydro Capacity RECs.
- The District typically earns 90,000 to 100,000 RECs per year.
• Oregon RECs are bankable but are not as valuable as Washington RECs which have a two-year life span. The year after the RECs are produced is the last year that they're valuable.

• Staff has discovered that the District can sale the 2019 Vintage BPA Washington Certified RECS for $2.25 each. Over the last month 1,906 Wind Energy RECs were sold to one counter party for $4,288. Another counter party picked up 5,115 RECs at $2.25 each for a total of $11,509.

• The District was also able to sale 86,011 Pre-2019 Vintage BPA Incremental Hydro and Wind RECs, Oregon Certified, for $25,803. The payment was received yesterday, and the RECs were transferred today.

• In total, the District has received $41,600 just this year from the sale of RECs.

Some discussion occurring regarding the sale of District RECs after questions were raised by Director Williams and General Counsel James Foster.

It was noted during the discussion that the District, in the future, will need some of these RECs. The District brings in about 90,000 RECs per year. The District has sold RECs in the past, and the revenue generated from the sale of RECs is shown as unbudgeted revenue. The District still has all Hydro RECs going back to 2011. The District has over 500,000 RECs in our bank.

The Board was informed that the RECs generated at The Dalles and McNary Hydroelectric Fishway Plants located in Washington do not qualify as Washington RECs; they are eligible for California RECs, as well as Oregon.

Conger’s recommendation is to find a buyer and liquidate the BPA RECs if the District does not need the RECs for Oregon Compliance, and the BPA RECs are worth $4 each. This will be a standing rule going forward.

Wholesale Power Contracts:

• The Power Resources Department is managing 15 active non-federal wholesale power contracts for the month of June.
  ▶ The cost for these contracts is $1,570 per hour, or $1.13 million per month for 19,760,000 kWh.
• The BPA Federal Power Contract is $1.8 million per month for 45,000,000 kWh.
• The BPA Transmission Services Contract is $250,000 to $300,000 per month at current load levels.
• Power Resources staff is working with a software company, MCG, to implement a system for tracking the contracts and monthly transactions to ensure schedules for physical delivery of energy are being managed on a real time basis.
• 2020 is a BPA Rate Case year. The next BPA rate change will occur and become effective in October 2021.
• The BP-22 Rate Case process has just begun.
Corporate Services:

Director of Corporate Services Cyndi Gentry reported that she received a phone call this morning from WHA Insurance. The District’s Workers Comp Mod Rate dropped from $1.42 in 2017 to $1.17 in 2018, which equates to a 21% decrease in the District’s Workers Compensation insurance premium for the next plan year. The July 1st renewal is $37,792 and change.

Gentry also reported on the following:

- Corporate Services is continuing to monitor, review, and assess where and how work will be done during the COVID-19 Pandemic.
- Customer programs have not stopped necessarily, but the focus has shifted; what can we do right now that does not require staff to go into a customer’s home, and how do we plan for whatever the new normal is in a post COVID-19 world.
- Staff is working with a business partner called Efficiency Services Group for efficiency kits which will be mailed out to multi-family units in the District’s service territory. The kit may include energy efficient light bulbs, an energy efficient power strip, water conservation showerhead, and a card that the customer can send in to receive an additional efficiency kit. The District will receive a BPA credit for this program.
- Staff is working on a document, the new normal in energy management. Staff is looking at ways to use technology for meetings with customers, to get videos and photos to help with audits and inspections so the energy efficiency programs can continue. Staff is looking at what type of technology is available, and how these changes would impact other parts of the rebate or weatherization process down the line, such as how things are tracked, how things are documented, etc.
- Staff is also talking about how we keep the office safe as employees start to rotate back through, or to return to work, and still maintain social distancing. Do we want or need to implement steps such as a short questionnaire that an employee would complete at home before they come in.
- Staff has no idea when the office will reopen. Staff will continue to evaluate how we go back to normal business keeping employees and customers safe.

Gentry reviewed and discussed with the Board a PowerPoint Slide entitled “Northern Wasco County PUD Account Aging”. A copy of this PowerPoint Slide is hereto attached and marked as Exhibit 4.

Gentry stated that she realized yesterday that the total on the previous report included customer account amounts not paid but not yet late. The report has been corrected. This Aged Accounts Report is a point-in-time report. Staff is unable to pull historic data because it will always give data as of the run date/time. All of the 2019 reports that were previously listed have been removed and run dates have now been added to this report.
Gentry noted that some customers are working to pay something on their overdue bill, as opposed to paying nothing. She believes that the District will be able to recover the overdue amounts, it will just take some time.

**Customer Services:**

**COVID-19 Small Business Assistance Program:**

Customer Service/Key Accounts Manager Justin Brock presented and discussed with the Board a PowerPoint Slide entitled “COVID-19 Small Business Assistance Program”. A copy of said PowerPoint Slide is hereto attached and marked as Exhibit 5.

The following is a highlight of Brock’s presentation:

- In the interest of public safety and regional economic stability, improving access to energy assistance for COVID-19 affected customers are a priority of the District.
- At the May 5, 2020 Board Meeting, General Manager Roger Kline made the recommendation of discontinuing the award of the 2020 Economic Development Grant Program and that the funds be utilized on District programs that assists and supports our customers. The main concern was due to the effect of COVID-19 on the utility and on the community. The General Manager’s recommendation was approved by the Board.
- Recognizing the lack of assistance available for small businesses, staff began work on assembling the COVID-19 Small Business Assistance Program in coordination with the Wasco County Economic Development Commission (EDC), and some help from Klickitat PUD (Public Utility District).
- The intent of the program is to take reasonable actions to lessen the economic impacts of the COVID-19 Pandemic on the District’s small business customers. The program would extend discounts to impacted eligible small businesses. It is intended to encourage, and to support the reopening of businesses who are struggling to keep the lights on or have had to close their doors due to State of Oregon mandates.
- The EDC is a county appointed commission, that works towards ensuring an economically robust Wasco County.
- The EDC will have the ability to take in and review the surveys, and then provide recommendations to the District regarding eligible businesses.
- Eligible small businesses will receive a discount on their electric bill for three consecutive months of up to a total of $600 upon reopening or being approved to reopen.
- Small business eligibility includes:
  - Being in business as of January 1, 2020;
  - Business has an active customer account;
  - Business has between one and ten employees;
  - Business has been impacted by the COVID-19 crisis; and
Agricultural producers and religious affiliation entities do not qualify for the program.

- Staff is seeking the Board’s support for the $50,000 in Economic Development Grant Program Funding being reallocated to the customer program entitled “Northern Wasco County PUD COVID-19 Small Business Assistance Program”.

General Manager Roger Kline stated that the District matches donations made to the Neighbor to Neighbor Program. Providing assistance to small businesses is an area that is an unserved opportunity; there is a definite need. Kline does not feel the entire amount of funding will be used. He feels if the District offers this venue it reaffirms our support for the broad community.

Brock stated that the program could assist up to 80 small businesses. The program will be communicated through Mid-Columbia Economic Development District (MCEDD).

Some discussion occurred after questions were raised by President Howe and General Counsel James Foster as to how a business would apply for this discounted program, and who would make the decision to approve discounts to small businesses.

Brock explained the survey process, and who would be recommending the businesses to receive a discount on their electric bill.

Brock also noted that the small business could be a non-profit, and that the discount would be applied directly to the small business’ customer account. It is a discount up to a $600 value. The program will run from May 2020, through December 2020.

General Manager Roger Kline stated that this program is modeled after Klickitat PUD’s program. The Dalles Area Chamber of Commerce asked Kline if this was a program that could be offered to local businesses.

Director Gonser expressed his concerns that the District received three (3) applications for Economic Development Grant Funding, but due to the impact of the COVID-19 Pandemic to the local community it was recommended that the District’s Economic Development Grant Program be discontinued in 2020. Now, staff is recommending that we start a new program to help businesses with their electricity costs.

Brock stated that the recommendation was to use the grant funding on customer programs. Staff was looking at the community as a whole, who do we serve, and what can be offered to impact as many customers as possible.

President Howe pointed out that the three organizations that applied for an Economic Development Grant could be eligible to receive the small business discount.
Kline stated that the program is an easy sale which will help more than three businesses. Kline was clear when he made his recommendation, that the economic development funds be reallocated to help low income residential customers, and to do direct service for our community. Kline commented that this is probably the best thing the District has done in the past five (5) years.

Director Jacobson stated that there are a lot of businesses that will reopen. He feels this is a good move.

{{{{Director Jacobson moved to accept staff’s recommendation that the $50,000 in Economic Development Grant Funding during 2020 be reallocated to the District’s COVID-19 Small Business Assistance Program. Director Williams seconded the motion; it was then passed unanimously.}}}}

Customer Return of Deposit Relief:

Customer Services/Key Accounts Manager Justin Brock presented and discussed with the Board a PowerPoint Slide entitled “Customer Return of Deposit Relief”. A copy of said PowerPoint Slide is hereto attached and marked as Exhibit 6.

The following is a highlight of Brock’s presentation:

- Many District customers have become either unemployed due to COVID-19 or have been adversely impacted in some form.
- The District wants to provide another means for customers in helping to manage their financial constraints. What this entails is to utilize temporary adjustment guidelines on the PUD’s credit rating point criteria for returning residential customers service deposits.
- Staff is recommending that the Customer Service Policy for the Return of Deposit for Residential customers be temporarily adjusted as follows:
  - After nine (9) consecutive billings without accruing more than three (3) collection points, the deposit, plus accrued interest, will be returned to the customer unless the deposit was paid by an outside agency that requested reimbursement or Section 9.A(5) applies.
- Cutoff and bad check points will disqualify a customer.
- The adjustment in the Return of Deposit Section of the Customer Service Policy would be temporary for three (3) months.
- The deposit would be applied directly to the customer’s residential account.
- If the Board approves staff’s recommendation a total of 573 residential customers and a total of 28 customers that have received assistance from the District’s partners could have their deposits returned. The total deposit potential over the three-month period for residential customers is $95,437, and the total deposit potential for assistance programs is $3,464.
• This temporary change would help District customers pay on their past due amounts. When the District helps customers directly, they help the local economy and businesses.

Some discussion occurred.

As to the need for Board approval, General Counsel Foster stated that he feels this matter could go either way. His recommendation is for the Board to approve since the matter was brought before them.

Director Williams stated that customer deposits are not the District’s money. The District is holding the money for our customers. The reason for this is to reduce the District’s risk. By temporarily changing the requirements we are increasing the District’s risk.

General Counsel James Foster stated that it is the customer’s money if they meet the requirements for security deposits. Staff is only saying, in this proposal, that the District is reducing the requirements.

Director Gonser feels the recommendation is a good idea.

{{Director Gonser moved that the Return of Deposit requirements in the District’s Customer Service Policy be amended temporarily to read as follows:

• After nine (9) consecutive billings without accruing more than three (3) collection points, the deposit, plus accrued interest, will be returned to the customer unless the deposit was paid by an outside agency that requested reimbursement or Section 9.A(5) applies.
• These requirements are temporarily amended for three months.

The motion was seconded by Director Jacobson; it was then passed unanimously.}}

Customer Service:

• Brock has been managing the Customer Services Department for three (3) weeks.
• Customer Services is taking on billings from the Finance Department.
• Director of Corporate Services Cyndi Gentry and Customer Service Representative Haley Red Cloud Windsor were successful in setting up an online application form for customers.
• A customer, after receiving the link directly from Customer Service, is able to complete digitally the online application form. Much of the information that was previously hand entered, is now done by the customer when completing the form.
• The online application has reduced the time on processing customer applications internally, it also allows customers to apply for service at their leisure while in their homes.
• District customers now use the online form exclusively when signing up for service.
• Customer Service will now look to move the online application form to production and have the link embedded in the District’s website.
• The following is an approximate breakdown of how District customers are making their payments:
  ➢ Mobile App, 14%
  ➢ Portal, 17%
  ➢ Phone System, 21%
  ➢ ACH and Check Free, 24%
  ➢ Auto Draft, 11%
  ➢ Mail Drop, 5%
  ➢ Cash Register, 10%

The District’s online application form was viewed and discussed at this time.

A question was raised by President Howe at the conclusion of Brock’s report.

Brock responded that the District’s COVID-19 Small Business Assistance Program will be up and running by the end of the week. Brock will need to work with MCEDD to see how they want to run the program. Brock noted that the program will be visible and widely communicated.

Innovation & Planning:

Principal Engineering/Chief Innovation Officer Paul Titus provided the following report:

Tygh Valley Substation Rebuild Project:

• Staff is still working on getting the Conditional Use Permit signed off by the Oregon State Parks & Recreation Department.
• The Oregon State Parks & Recreation Department has allowed the District to do some work at the site for archeological investigation and Geotech. This work leads to some engineering items that need to be issued. Construction drawings will go to Tice Electric, District Contractor.
• There has been a little delay in the project due to the COVID-19 Pandemic.
• The completion of the Tygh Valley Substation Rebuild Project is still anticipated by the end of October, Mid-November 2020.
AMI (Automated Metering Infrastructure) Update:

The AMI Meter Progress 5-27-2020 Graph was reviewed and discussed at this time. A copy of the AMI Meter Progress Graph is hereto attached and marked as Exhibit 7.

Some of highlights from Titus’ AMI Update are as follows:

- The AMI Project was picking up momentum before the shutdown of the District’s Office due to the COVID-19 Pandemic. A total of 127 meters were installed in March, 50 in April, and 30 in May 2020.
- In the last couple of days there has been an update in the District’s read rates. This goes back to billing staff who have been trying to find meters that are not responding, or they go out to get a manual read.
- Staff is working with Itron to get firmware updates and is looking at other places to place equipment to help with the efficiency to get AMI meter reads back into the system.

The outage detection data from the AMI System was reviewed and discussed. Titus provided the Board with an explanation of the data being shown from several recent outages. The outage in Rowena did not show up since the meters were not able to respond back into the system. The District is experiencing some communication issues in the area. Some meters in the Tooley Terrace area were reporting.

Some discussion occurred regarding the outage detection software capability after questions were raised by members of the Board of Directors.

Titus noted that the District is working with summer IT Intern Christian Cunningham to get this outage data up on the District’s website.

General Manager Kline noted that he can report an outage from the app on his smart device, but he does not have a way to get into the District’s AMI system. Our crew knows the outage has been reported. Kline stated that the next version of the District’s enterprise software suite will start to connect those, as well as improve outage mapping. The challenge with outage mapping is that you do not want to list which house(s) is without power on a public facing website.

Kline stated that you should be able to call from the same number that is connected to your customer account to be able to report an outage and get some sort of feedback. Over time the system will be able to text you with an estimated time of restoration. Kline noted that is where the District is heading, we are just a version behind.
NORTHERN WASCO COUNTY PUD
REGULAR SESSION MINUTES
JUNE 2, 2020
PAGE 18

General Manager:

General Manager Roger Kline stated that the Board has been provided with his memorandum on the General Manager Report for June 2020. A copy of Kline’s memorandum is hereto attached and marked as Exhibit 8.

Highlights from Kline’s report is as follows:

- The District is a long-standing member of Northwest RiverPartners (NWRP). Kline serves as a member of NWRP Board of Directors.
- Earlier in 2020, NWRP launched its “Our Power is Water” Campaign to help make individuals/organizations aware of the region’s reliance on, and the many benefits of hydroelectric power.

Northwest RiverPartners “Our Power is Water” campaign video was viewed at this time. The video can be found by clicking on the following YouTube Link: Our Power is Water.

Kline further reported as follows:

- There are smaller snippets and ads that will be broadcast on social media and other media platforms for this campaign.
- The District needs to be advocates in helping to get this message out to the public especially since we are a hydro owner, BPA is the District’s single largest line item in the budget, and the majority of our community is in the tailrace of The Dalles Dam.
- The ad campaign will reach far and wide, from Montana to the greater Seattle/Puget Sound area, to Portland and Eugene. All the places where current and future voters need to better understand how power works in the Northwest.
- Part of NWRP’s campaign includes an out-reach to member organizations seeking financial resources to ensure the campaign’s continuation for a long period of time.
- Kline is recommending that the District contribute $2,500 towards NWRP’s funding campaign. Kline is suggesting that the District repurpose funds within the Administration Department’s existing budget. He has not been traveling due to COVID-19 and there are unspent funds available for this use.
- Grant Public Utility District and Chelan Public Utility District have offered to match the funds raised in this funding campaign up to $160,000 each. One (1) Oregon People’s Utility District (Tillamook PUD) has committed $4,000, and the rest of the Oregon PUD’s are taking this matter to their Boards.

***It was the consensus of the Board of Directors to support General Manager Roger Kline’s recommendation to redirect $2,500 from within the existing 2020 Budget in unspent travel funds for Northwest RiverPartners “Our Power is Water” Funding Campaign***.
Kline briefly mentioned the following items which were also included in his memorandum:

**Bonneville Power Administration – Finance Reserves Policy:**

- The letter sent to BPA Administrator Elliot Mainzer from the Public Power Council (PPC) Executive Committee Officers requesting the temporary suspension of BPA’s Financial Reserves Policy Surcharge as a mitigation from the financial hardships being experienced by PPC member utilities and their customers from the COVID-19 Pandemic. A copy of said letter is hereto attached and marked as Exhibit 9.
- The letter sent to BPA Customers from BPA Administrator Elliot Mainzer stating that BPA is proposing to suspend its Financial Reserves Policy Surcharge for the remainder of the rate period; said suspension is subject to the approval of the Federal Energy Regulatory Commission. A copy of said letter is hereto attached and marked as Exhibit 10.
- The potential savings to the District if the BPA Financial Reserves Policy Surcharge is suspended is estimated at $190,000 for 2020 and $379,000 for 2021.

**State of Oregon Regional Economist Updated Unemployment Statistics:**

- Kline has been communicating with State of Oregon Employment Department Regional Economist Dallas Fridley to see if there is a correlation between the District’s customer accounts in arrears and unemployment claims in our County.
- There has been a drastic increase in unemployment claims in Wasco County and the Columbia River Gorge as a whole. When reviewing the unemployment data with the District’s customer accounts in arrears they appear to line up.

**District “Reopening”:**

- Permanent glass barriers have been installed in the Customer Service Representatives work area. These barriers will remain as part of the District’s physical security upgrades.
- The outside air circulation for the HVAC system has been increased by 5%. Appropriate filtration upgrades have been put into place as well.
- Janitorial services have been maintained. Staff is waiting to receive a quote back for a deeper clean of the office prior to the building being reopened to staff and the public.
- Staff is actively working both in and out of the office with the technology tools that have been put in place over the last couple of years.
- No firm date has been assigned for physical reopening.
Some discussion occurred regarding the District’s generator, located in the District’s main office building, after a question was raised by Director Williams regarding the reason for the emergency generator kicking on.

General Manager Roger Kline responded by stating that the generator is working now. It was an unknown source which caused the emergency generator to start.

Titus stated that the main breaker was tested. GFI outlets were tested as well and were replaced as needed. Titus stated that it is still a mystery as to why the emergency generator kicked on.

General Counsel:

General Counsel James Foster stated that he has been working with Joint Use & Compliance Manager Tom McGowan over the last year putting together a Pole Attachment Agreement. The Pole Attachment Agreement has brought the District into the Twenty First Century for those type of agreements.

Foster stated that McGowan has put in a lot of work in the development of the agreement and getting the agreements in place with organizations utilizing District poles. The District is in the final stage of having the agreement in place with Century Link. All other agreements are in place except for Charter Communications. Foster stated that Charter is the only remaining significant attacher who has not entered into an agreement with the District.

Foster noted in closing that the District is using Richard Lorenz from the law firm of Cable Huston. Lorenz is experienced in Public Utility Commission (PUC) regulations and these types of agreements.

NEW BUSINESS

Chief Financial Officer/Director of Finance & Enterprise Risk Harvey Hall stated as part of our Enterprise Risk Management (ERM) Program the District’s Financial Policy is being reviewed annually and updated, as needed.

Hall noted that the current Financial Policy was established in June 2019. He is proposing that the Maturity Scheduling, as shown on Page 7 in said Policy, be eliminated since ORS 294.135 does not prescribe a maturity schedule other than investments not exceeding 18 months in duration. Hall stated that it is very difficult to be in compliance with this section of the Financial Policy when the District does not invest enough to meet the requirements. The District currently has only one investment.
Hall is recommending that we eliminate the Short-Term Investment Maturity Scheduling, which sets minimum investment maturities for under 30 days; 90 days; 365 days and 18 months.

Some discussion occurred regarding the proposed elimination of the Maturity Scheduling language.

General Counsel Foster stated that he has no problem with staff’s recommendation to eliminate this section of the Financial Policy.

{{Director Jacobson moved to approve Resolution #09-2020 in the matter of amending the Northern Wasco County People’s Utility District Financial policy. Director Karp seconded the motion; it was then passed unanimously.}}

**BOARD REPORTS / ITEMS FROM BOARD MEMBERS**

**Oregon People’s Utility District Association:**

No report was provided on the May OPUDA Board Meeting. All Board Members participated in the virtual meeting.

**Board Compensation:**

President Howe stated that Director Jacobson requested that Board compensation be discussed specifically for meetings being attended by members of the Board of Directors virtually due to the COVID-19 Pandemic.

Director Jacobson stated that he feels it is appropriate for the Board to be compensated, even if there is no travel, for virtual meetings being attended which last for three to four hours at a time.

General Counsel Foster stated that historically the District has not adopted a policy that compensated members of the Board for attending meetings within the District. Foster suggested that General Manager Roger Kline prepare a compensation proposal for the Board to look at next month. He does not recommend that a decision be made this evening by the Board. The intent of the compensation is to compensate the Board Members for their time and the work that they do in representing the people of Northern Wasco County People’s Utility District.

President Howe stated that this matter will become a moot point if the Board begins to travel within a month. He suggested that Kline speak to other general managers to see what they are doing in their respective District.
APPROVAL OF FUTURE MEETINGS/TRAVEL/OR RELATED MATTERS

The regional meetings, NEMS, NESC & NIES Board of Directors, Public Power Council (PPC) Forum and Executive Committee, and Oregon People’s Utility District (OPUDA) Board of Directors, scheduled during June and July 2020, will be attended by electronic means, unless it is safe for the Board and staff to travel.

EXECUTIVE SESSION

At 8:27 p.m. President Howe recessed the Regular Session to convene into Executive Session as authorized by ORS 192.660(2)(g) to consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations.

Those present for the Executive Session included the Board of Directors, General Counsel James Foster; General Manager Roger Kline; Assistant General Manager/Director of Power Resources Kurt Conger; Chief Principal Engineer/Chief Innovation Officer Paul Titus; Executive Assistant Kathy McBride; CFO/Chief Financial Officer/Director of Finance & Enterprise Risk Harvey Hall; Key Accounts Manager Justin Brock; and Director of Corporate Services Cyndi Gentry;

At 8:42 p.m. the Board adjourned from Executive Session to return to Regular Session.

There being no further business the meeting adjourned at 8:43 p.m.

[Signature]
President

ATTEST:

[Signature]
Secretary
DATE: May 29, 2020

TO: Directors Gonser, Howe, Karp, Jacobson & Williams

FROM: Kurt Conger, Assistant General Manager, Director of Power Resources

SUBJECT: CHENOWETH-HARVEY REMOVAL CONTRACT RECOMMENDATION

Background:

In 1956, BPA constructed the Chenoweth-Harvey 115 kV double-circuit transmission line (“CHEN-HARV Line”) to serve the aluminum smelter with Federal power. For 50 years the line was used to supply energy to the aluminum smelter until the smelter was shut down and demolished. In 2016, the District purchased the CHEN-HARV Line from BPA for the value of the land easements – the transmission lattice towers, insulators and conductor were fully depreciated on BPA’s books. The purpose for purchasing the easement was to ensure a continuous Right-of-Way corridor for transmission of energy by the District to a future customer at the former smelter site. In preparation for development of a new transmission line to serve the smelter site, the District staff have acquired additional easements and prepared a plan of service that uses 230 kV transmission lines from the BPA Quenett Creek substation to the smelter site. To implement this plan of service, the 65-year old BPA facilities need to be removed.

District staff issued an Invitation to Bid (ITB) on April 7, 2020, for contractors to describe their methods and state a cost for removal of the CHEN-HARV Line. In light of COVID-19, individual job-walks were conducted with ten interested contractors during the remainder of April. On the May 7th bid deadline, eight contractors submitted eleven bids for the removal work. Some contractors submitted two bids – one for performing the work while Discovery Substation is de-energized and one for performing the work while Discovery Substation is energized. Removing the CHEN-HARV Line will mitigate the risk associated with owning and operating a transmission line that passes directly over an energized substation, but removal of the line is complicated by its location.

Additional contractor work in the ITB includes: retermination of the first segment of the CHEN-HARV Line into RiverTrail Substation, and salvage of steel and aluminum in the CHEN-HARV Line.

Funding for this project is to be provided by the customer requesting service at the smelter site. District Staff are finalizing a funding agreement that will cover the cost of this contract.

Submitted Bids, Scoring and Ranking:

Due to the unique requirements associated with removing a transmission line passing over a substation that supplies a critical data center customer, contractors were asked to provide a narrative that demonstrates their understanding of the work scope and methods to be used during execution of the work.
to minimize outage time and risk. Cost was not the primary factor in the selection process. The bids were evaluated and scored using the following criteria:

<table>
<thead>
<tr>
<th>Weighting</th>
<th>Element</th>
<th>Points Possible</th>
</tr>
</thead>
<tbody>
<tr>
<td>20%</td>
<td>Cost - Overall Bid Cost Elements &amp; Detail</td>
<td>10</td>
</tr>
<tr>
<td>20%</td>
<td>Narrative/Understanding of Scope and Proposed Methods</td>
<td>10</td>
</tr>
<tr>
<td>20%</td>
<td>Customer Outage Duration</td>
<td>10</td>
</tr>
<tr>
<td>20%</td>
<td>Safety (Ranking of Top 4 bids)</td>
<td>10</td>
</tr>
<tr>
<td>10%</td>
<td>Schedule - Awareness of and Task Organization</td>
<td>10</td>
</tr>
<tr>
<td>10%</td>
<td>Outage Coordination</td>
<td>10</td>
</tr>
</tbody>
</table>

The following table shows the bid prices tendered indicating whether the work would be performed with Discovery Substation Energized or De-Energized.

<table>
<thead>
<tr>
<th>TOTAL REMOVAL AND CONSTRUCTION COSTS</th>
<th>Discovery Substation Energized OR De-Energized</th>
</tr>
</thead>
<tbody>
<tr>
<td>$309,849.58</td>
<td>De-Energized</td>
</tr>
<tr>
<td>$409,729.24</td>
<td>De-Energized</td>
</tr>
<tr>
<td>$414,480.99</td>
<td>Energized</td>
</tr>
<tr>
<td>$426,608.82</td>
<td>De-Energized</td>
</tr>
<tr>
<td>$438,080.36</td>
<td>De-Energized &amp; Energized</td>
</tr>
<tr>
<td>$465,682.79</td>
<td>De-Energized</td>
</tr>
<tr>
<td>$572,655.18</td>
<td>De-Energized</td>
</tr>
<tr>
<td>$956,923.25</td>
<td>Energized</td>
</tr>
<tr>
<td>$1,094,786.56</td>
<td>De-Energized</td>
</tr>
<tr>
<td>$1,228,695.91</td>
<td>De-Energized</td>
</tr>
<tr>
<td>$1,244,987.21</td>
<td>Energized</td>
</tr>
</tbody>
</table>

After discussing the means and methods described to perform the work with Discovery Substation energized, District Staff, POWER Engineers (the District’s project engineer) and the affected customer all agreed that the work should be performed with Discovery Substation De-Energized for safety and property risk considerations. The top-three proposals for performing the work De-Energized were then thoroughly reviewed and scored to provide the basis for the District Staff’s recommendation. The final ranked scoring appears in the next table.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Contractor/Bidder</th>
<th>Score</th>
<th>Contractor Cost</th>
<th>Outage Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Magnum Power</td>
<td>8.20</td>
<td>$309,849.58</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>[Contractor 2]</td>
<td>7.50</td>
<td>$438,080.36</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>[Contractor 3]</td>
<td>7.00</td>
<td>$465,682.79</td>
<td>11</td>
</tr>
</tbody>
</table>
Staff Recommendation:

Based on the scores for the top three bids, Magnum Power provided the highest scoring bid. In addition to its cost competitiveness, the Magnum Power bid included a detailed technical proposal illustrating how it would safely and efficiently remove conductors passing over Discovery Substation, the CERCLA landfill and other affected properties. District Staff recommend that the Board of Directors approve award of the Chenoweth-Harvey Line removal project contingent upon the following conditions: approval of final contract terms found to be satisfactory by the District’s General Counsel and the General Manager; and conclusion of the funding agreement with the customer receiving service from the new 230 kV transmission lines.
Storm Pictures 5-30-2020

EXHIBIT 2
Storm Pictures 5-30-2020
Storm Pictures 5-30-2020
Storm Pictures 5-30-2020
Storm Pictures 5-30-2020
Storm Pictures 5-30-2020
Storm Pictures 5-30-2020
Storm Pictures 5-30-2020
Storm Pictures 5-30-2020
Storm Pictures 5-30-2020
DATE: June 2, 2020

TO: Board of Directors

FROM: Harvey Hall, CFO and Sue Powers, Senior Financial Analyst

SUBJECT: Risk Assessment Ranking and Heat Map

Background –

At the May 2020 board meeting, staff presented the update of the District’s top risk inventory and assessment ranking. During the presentation there were questions by the Board to better understand the assessment, scoring and ranking process. The attached document gives a brief summary of the scoring and ranking process with definitions and the risk heat map graphic. This is a follow up to the Board’s questions on the presentation.

Recommendation –

For information only. No Board action requested.
Risk Assessment Scoring and Ranking
Spring 2020 Results

The process:
Department heads were asked to identify risk concerns and a list was created. Initial conversations generated 35 concerns. That list was then narrowed to 20 events for assessment.

The assessment questionnaire asked respondents to evaluate the events in their departments in terms of the potential dollar impact, the probability of it happening, and the likely timing.

<table>
<thead>
<tr>
<th>Classification</th>
<th>$ Range</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catastrophic</td>
<td>$&gt;1M</td>
<td>4</td>
</tr>
<tr>
<td>Critical</td>
<td>$500K-$1M</td>
<td>3</td>
</tr>
<tr>
<td>Marginal</td>
<td>$50-$500K</td>
<td>2</td>
</tr>
<tr>
<td>Negligible</td>
<td>$0-$50K</td>
<td>1</td>
</tr>
</tbody>
</table>

Calibration: To rank the events, factors to consider included dollar impact, probability, and timing. As shown in the table above, the dollar impact was scaled 1-4. Probability and timing were scaled 1-5 and, in the interviews, these two factors were clearly correlated, with the two questions typically answered as one.

Scoring: In order to account for the relationship that exists between probability and timing, or what we called ‘Likelihood’, the average of the two numbers was calculated, then added to the dollar impact score. The sum is how the top-ten list was ranked, but in the case of a tie, the event with a higher dollar impact won took priority.
Risk Assessment Scoring and Ranking

### Classification

<table>
<thead>
<tr>
<th>$\text{Range}</th>
<th>\text{Score}</th>
</tr>
</thead>
<tbody>
<tr>
<td>$&gt;$1M</td>
<td>4</td>
</tr>
<tr>
<td>500K-$1M</td>
<td>3</td>
</tr>
<tr>
<td>50-$500K</td>
<td>2</td>
</tr>
<tr>
<td>$0-$50K</td>
<td>1</td>
</tr>
</tbody>
</table>

### Likelihood

<table>
<thead>
<tr>
<th>%</th>
<th>Time Range</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;3%</td>
<td>within 1 year</td>
<td>5</td>
</tr>
<tr>
<td>3-10%</td>
<td>1-3 years</td>
<td>4</td>
</tr>
<tr>
<td>10-50%</td>
<td>3-5 years</td>
<td>3</td>
</tr>
<tr>
<td>50-90%</td>
<td>5-10 years</td>
<td>2</td>
</tr>
<tr>
<td>&gt;90%</td>
<td>over 10 years</td>
<td>1</td>
</tr>
</tbody>
</table>

### Impact

- Employee complaint
- Project delays
- Business continuity risk from loss of data access
- Key resource loss
- Contract disagreement
- Physical damage to computer system
- Loss of insurance
- Loss of major cust
- Emergency response
- Regulatory changes

Risk Profile

- [Diagram showing risk profile with various risk factors and scores]
<table>
<thead>
<tr>
<th>Month</th>
<th># Customers</th>
<th>Current Unpaid</th>
<th>30 days</th>
<th>60 days</th>
<th>90 days</th>
<th>Total Unpaid</th>
<th>Total Late</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 2020 rndt 5/5/20</td>
<td>3</td>
<td>$ (111.18)</td>
<td>$ 283.49</td>
<td>$ 272.30</td>
<td>$ 908.13</td>
<td>$ 1,352.74</td>
<td>$ 1,463.92</td>
</tr>
<tr>
<td>March 2020 rndt 5/18/20</td>
<td>8</td>
<td>$ 1,482.14</td>
<td>$ 930.39</td>
<td>$ 1,012.80</td>
<td>$ 857.81</td>
<td>$ 4,283.14</td>
<td>$ 2,801.00</td>
</tr>
<tr>
<td>April 2020 rndt 5/5/20</td>
<td>74</td>
<td>$ 5,875.97</td>
<td>$ 7,949.11</td>
<td>$ 9,414.93</td>
<td>$ 8,588.75</td>
<td>$ 31,828.76</td>
<td>$ 25,952.79</td>
</tr>
<tr>
<td>May 2020 rndt 6/1/20</td>
<td>270</td>
<td>$ 20,471.40</td>
<td>$ 27,923.56</td>
<td>$ 31,957.80</td>
<td>$ 38,354.84</td>
<td>$ 118,707.60</td>
<td>$ 98,236.20</td>
</tr>
</tbody>
</table>

6/1/2020 - I realized that the total on the report includes not paid but not yet late, so I corrected this table.

6/2/2020 - Learned that the aged accounts report is a point-in-time report. We cannot pull historic data because it will always give data as of the run date/time. I removed all 2019 reports and added run dates (rndt) for this reason.
Covid-19 Small Business Assistance Program

The program is temporary in nature and will be available for electric service billings issued between May 2020 and December 2020.

The discount percentage is based on the business type:
1. 100% of the Facilities Charge and 50% of Energy Charge for store front businesses
2. 30% of Energy Charge for home-based businesses
3. Applied to 3 consecutive months billed after reopening
4. Discount is limited to $600 per business

Small business eligibility criteria:
1. In business before January 1, 2020 and within NWCPUD’s service area
2. Has an active NWCPUD account
3. Between 1-10 employees, Employees can be the owners
4. Impacted by COVID-19, with an emphasis on mandated closures
5. Agricultural producers and religious affiliation entities are excluded
CUSTOMER RETURN OF DEPOSIT RELIEF
CREDIT POINT GUIDELINES FOR RETURN OF DEPOSIT

CURRENT – AFTER 12 CONSECUTIVE BILLINGS W/O ACCRUING MORE THAN TWO (2) COLLECTION POINTS

TEMPORARY ADJUSTMENT GUIDELINES - MORE THAN THREE (3) COLLECTION POINTS WITHIN 9 CONSECUTIVE BILLINGS,
CUTOFF & BAD CHECK POINTS ARE DISQUALIFIERS,
*RUN TEMPORARY ADJUSTMENT GUIDELINES FOR THREE (3) MONTHS*

ASSIGNED COLLECTION POINTS
• DELINQUENT NOTICE
• CUTOFF LIST
• CUTOFF
• BAD CHECK
• BROKEN ARRANGEMENT
• UNAUTHORIZED RECONNECTION OR TAMPERING
• FINAL BILL SENT TO COLLECTION AGENCY
• FINAL BILL TRANSFERRED TO CO-SIGNER ACCOUNT

TOTAL RESIDENTIAL CUSTOMERS WITHIN TEMPORARY ADJUSTMENT GUIDELINES – 573

TOTAL RESIDENTIAL CUSTOMERS WITHIN TEMPORARY ADJUSTMENT GUIDELINES RECEIVING ASSISTANCE - 28

TOTAL DEPOSIT POTENTIAL FOR RESIDENTIAL CUSTOMERS - $95,437

TOTAL DEPOSIT POTENTIAL FOR ASSISTANCE PROGRAMS - $3,464
DATE:       June 02, 2020
TO:         Directors Gonser, Howe, Jacobson, Karp & Williams.
FROM:       Roger M. Kline, General Manager
SUBJECT:    General Manager’s Report, June 2020

Northwest RiverPartners “Our Power is Water” Campaign

The District is a long-standing member of Northwest RiverPartners (NWRP). The District is also an owner of two hydroelectric generating projects and most of all District loads are served by renewable, carbon-free hydroelectricity. GM Kline also serves on the NWRP Board of Directors.

Earlier in 2020 NWRP launched its “Our Water is Power” Campaign to reach a target demographic that data showed was unaware of the region’s reliance on, and the many benefits of hydroelectric sourced power. Part of the campaign includes reaching out to member organizations to seek secondary funds to ensure the campaign reaches far and wide for as long a duration as possible. Washington State’s Grant and Chelan PUD’s have even offered to match funds to ensure the success of this campaign.

The “ask” for funds is 75% of an organization’s dues. For NWCPUD that would be approximately four-thousand dollars ($4k). Due to the current financial concerns surrounding accounts in arrears, GM Kline feels that two-thousand five-hundred dollars would be appropriate. A table listing current commitments by other utilities is below. This is not a specific request for approval as we have existing budget available but want to ensure the Board is supportive of this action.

<table>
<thead>
<tr>
<th>Utility</th>
<th>Committed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asotin County PUD</td>
<td>$5,000</td>
</tr>
<tr>
<td>Chelan PUD</td>
<td>TBD</td>
</tr>
<tr>
<td>City of Richland</td>
<td>$5,000</td>
</tr>
<tr>
<td>Clearwater Power</td>
<td>$10,000</td>
</tr>
<tr>
<td>Columbia REA</td>
<td>$5,000</td>
</tr>
<tr>
<td>EWEB</td>
<td>$10,000</td>
</tr>
<tr>
<td>Flathead Electric Coop</td>
<td>$25,000</td>
</tr>
<tr>
<td>Grant PUD</td>
<td>TBD</td>
</tr>
<tr>
<td>Lewis Co PUD</td>
<td>$4,000</td>
</tr>
<tr>
<td>Midstate Electric Cooperative</td>
<td>$5,000</td>
</tr>
<tr>
<td>Port of Clarkston</td>
<td>$5,000</td>
</tr>
<tr>
<td>Port of Lewiston</td>
<td>$5,000</td>
</tr>
<tr>
<td>Tillamook PUD</td>
<td>$4,000</td>
</tr>
</tbody>
</table>
Bonneville Power Administration – Financial Reserves Policy

On May 15, 2020 the Public Power Council (PPC) sent BPA Administrator Mainzer a letter requesting temporary suspension of the Financial Reserves Policy (FRP) as a mitigation from the extreme financial hardships being experienced by PPC member utilities and their customers from the COVID-19 Pandemic. He has responded favorably to our recommendation via his own letter sent on May 29, 2020. Both letters are included herein. For NWCPUD the savings could be as much as $190k for the remainder of 2020, and as much as $379k for 2021. None of this information is finalized but we believe it should move through the FERC process with a positive outcome.

Wasco County – State of Oregon Regional Economist Updated Unemployment Statistics

The District has received an economic update from Mr. Dallas Fridley, Regional Economist from the State of Oregon with responsibility for the Columbia Gorge and Columbia Basin. The results are consistent with what we are experiencing with our accounts in arrears and further emphasizes that expanded direct support of customers is very important at this time. Excerpts below:

“Wasco County’s unadjusted unemployment rate rose by 10.0 percentage points in April to 14.8 percent. Over the year, Wasco County’s unadjusted unemployment rate rose by 10.4 percentage points.

Wasco County cut 1,210 nonfarm jobs in April, falling to 8,770. Private industry cut 1,120, dropping to 6,890 and government trimmed its payrolls by 90, falling to 1,880.

Over the year ending in April, Wasco County’s private industry employment fell by 1,320 jobs (-16.1%). Accommodation and food services idled 410 jobs as a result of COVID-19 closures, cutting is total to 800, a loss of around 34 percent. Education and health services trimmed its payrolls by 270 jobs, falling to 2,080 (-11.5%). Manufacturing cut 140 jobs over the year, falling to 480 (-22.6%) and retail trade trimmed its payrolls by 140 (-8.5%), dropping to 1,510. COVID-19 related job losses were also felt in professional and business services (-130), other services (-80), and construction (-70).”

![Initial Claims by Industry by Place of Residence - Wasco County](image-url)

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</table>
Further information from the State of Oregon Employment Department is included herein.

**District “re-opening”**

Lastly, I want to provide a brief update on measures the District has undertaken towards a safe and appropriate re-opening of the headquarters building for customer-facing operations once it is deemed safe.

- Physical barriers – permanent glass barriers have been installed in the customer service areas to provide further separation for safety. These barriers are adjustable and will remain in place as a protective measure.
- HVAC system – increased filtration and exchange with outside air adjustments have been made to the headquarters building.
- Deep cleaning – janitorial services have been maintained throughout the “remote work” process even though we have less people physically in the building. We are reviewing possible further cleaning measures for pre-opening and then more often once staff returns.
- Remote work functionality – we continue to find improvement methods and are maximizing the efficiency opportunities gained by this experience.

No firm date has been assigned for physical reopening, but we are monitoring both Oregon and Washington as well as regional and sector guidance. We are successfully providing service and will remain cautious with an eye towards restoration as appropriate.
May 29, 2020

Dear BPA customers:

The COVID-19 pandemic has created significant challenges and uncertainties for utilities across the Pacific Northwest. In recent months, daily life has changed significantly to combat the spread of the virus, and communities are facing unprecedented economic impacts. Since the outbreak of COVID-19, the Bonneville Power Administration has been assessing the flexibilities it can extend to customers to help alleviate the economic challenges. After discussing these challenges with customers and considering our options for providing rate relief, Bonneville is proposing to suspend its Financial Reserves Policy Surcharge (FRP Surcharge) for the remainder of the current rate period.

To do so, we are initiating an expedited rate proceeding in June, conducted under Section 7(i) of the Northwest Power Act. In addition, if the FRP Surcharge is suspended in the final decision, we would also seek expedited approval from the Federal Energy Regulatory Commission. The effective date of the suspension would depend on several factors, including the timing of the Commission’s approval. The suspension of the surcharge would provide power customers rate relief of about $3 million per month for the remainder of FY 2020 and $30 million for all of FY 2021.

We can also take immediate advantage of contractual flexibilities and provide support through extended payment agreements, which are available to power and transmission customers on a case-by-case basis. In addition, Regional Dialogue customers have access to the Flexible Priority Firm program to shape FY 2020 power charges into FY 2021. Bonneville believes that the proposal to suspend the FRP Surcharge, coupled with extended payment options, will provide meaningful relief to our customers.

I am grateful for the partnership with our customers and their recognition of the importance of Bonneville’s long-term financial standing. But we can also all agree that this extraordinary situation requires extraordinary measures. The proposal Bonneville intends to make in the expedited section 7(i) proceeding, if accepted in the record of decision, would provide the region’s utilities some much needed financial relief. Bonneville will host a customer workshop on Friday, June 5, to discuss the proposed changes to the FRP Surcharge along with a proposed schedule for the expedited rate proceeding.
While it is going to take some time to understand the full impact of the COVID-19 pandemic on the region’s utilities and Bonneville, I am confident that we can work together to find a path forward through these unprecedented events.

Sincerely,

Elliot Mainzer
Administrator and CEO
Employment in the Columbia Gorge: April 2020

Over-the-Year Job Losses Detail COVID-19 Impacts

April seasonally adjusted unemployment rates are not available due to processing delays caused by large increases in unemployment. Not seasonally adjusted unemployment rates are being used for this news release. They reflect April’s increase in unemployment related to the COVID-19 pandemic. Seasonally adjusted unemployment rates for April will be available on Qualityinfo.org or by request at a later date. We apologize for any inconvenience this causes.

In April, Hood River County’s unadjusted unemployment rate rose by 10.9 percentage points to 14.0 percent. Over the year, Hood River County’s unadjusted unemployment rate rose by 10.8 percentage points.

Hood River County’s nonfarm employment fell by 2,200 jobs in April to total 9,750. Private industry dropped to 8,420 jobs, a loss of 2,110, while government cut 90, falling to 1,330.

Hood River County’s private industry employment fell by 2,260 jobs over the year ending in April, a loss of 21.2 percent. COVID-19 impacts in accommodation and food services idled 530 jobs, dropping the industry’s total to 840 (-47.2%). Arts, entertainment, and recreation cut payrolls by 400 jobs, an over-the-year loss of 46 percent. Education and health services suffered an over-the-year loss of 250 jobs (-14.2%), falling to 1,510. Manufacturing cut 170 jobs (-9.4%), retail trade idled 140 (-10%), other services sliced 110 (-25.6%), and professional and business services shed 100 (-9%).

Wasco County’s unadjusted unemployment rate rose by 10.0 percentage points in April to 14.8 percent. Over the year, Wasco County’s unadjusted unemployment rate rose by 10.4 percentage points.

Wasco County cut 1,210 nonfarm jobs in April, falling to 8,770. Private industry cut 1,120, dropping to 6,890 and government trimmed its payrolls by 90, falling to 1,880.

Over the year ending in April, Wasco County’s private industry employment fell by 1,320 jobs (-16.1%). Accommodation and food services idled 410 jobs as a result of COVID-19 closures, cutting is total to 800, a loss of around 34 percent. Education and health services trimmed its payrolls by 270 jobs, falling to 2,080 (-11.5%). Manufacturing cut 140 jobs over the year, falling to 480 (-22.6%) and retail trade trimmed its payrolls by 140 (-8.5%), dropping to 1,510. COVID-19 related job losses were also felt in professional and business services (-130), other services (-80), and construction (-70).
Gilliam County’s unadjusted unemployment rate rose by 6.3 percentage points in April to 11.3 percent. Over the year, Gilliam County’s unadjusted unemployment rate rose by 8.5 percentage points. Gilliam County’s nonfarm employment fell to 760 jobs in April, a loss of 65. Over the year, Gilliam County’s private industry total fell by 225 jobs, a loss of 24.4 percent, to total 525. Government cut 20 jobs over the year, falling to 235.

Sherman County’s unadjusted unemployment rate rose by 7.4 percentage points in April to 12.6 percent. Over the year, Sherman County’s unadjusted unemployment rate rose by 9.1 percentage points. Sherman County’s nonfarm employment fell by 75 jobs in April to 840. Private industry cut 50 jobs, falling to 530, while government dropped to 310, a loss of 25. Over the year ending in April, private industry cut 20 jobs (-3.6%) and government idled 30.

Wheeler County’s unadjusted unemployment rate rose by 2.3 percentage points in April to 5.8 percent. Over the year, Wheeler County’s unadjusted unemployment rate rose by 1.6 percentage points. Nonfarm employment totaled 270 jobs in April, with private industry cutting 15 and government idling 10. Over the year ending in April, private industry lost 30 jobs, falling to 140 (-17.6%) and government held steady with 130.

**Next Press Releases**

The Oregon Employment Department plans to release the May 2020 county and metropolitan area unemployment rates on June 23rd, 2020 and the statewide unemployment rate and employment survey data for May on June 16th, 2020.

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The Oregon Employment Department and the U.S. Bureau of Labor Statistics (BLS) work cooperatively to develop and publish monthly payroll employment and labor force data for Oregon’s metropolitan areas and counties. The estimates of monthly job gains and losses are based on a survey of businesses. The estimates of unemployment are based on a survey of households and other sources.

The Oregon Employment Department payroll employment estimates are revised quarterly using information from unemployment insurance tax records. All department publications use data from this official Oregon series unless noted.

The department also makes the BLS-produced nonfarm payroll employment series for metropolitan areas available. These are revised annually by BLS.

The pdf version of the news release, including tables and graphs, can be found at [www.qualityinfo.org/press-release/](http://www.qualityinfo.org/press-release/). To obtain the data in other formats such as in Excel, visit [www.QualityInfo.org](http://www.QualityInfo.org), select Economic Data, and choose LAUS or CES. To request the press release as a Word document, contact the person shown at the top of this press release.

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To file an Unemployment Insurance claim, visit our online claims system or call our contact centers, where Employment Department staff are ready to help by phone, at 1-877-FILE-4-UI (1-877-345-3484). For coronavirus questions related to employer and job seeker programs and services, visit Govstatus.egov.com/ORUnemployment_COVID19. For help finding jobs and training resources, go to: www.WorkSourceOregon.org

Equal Opportunity program — auxiliary aids and services available upon request to individuals with disabilities. Contact: (503) 947-1794. For the deaf and hard of hearing population, call 711 Telecommunications Relay Services.

### Gilliam County Current Labor Force and Industry Employment

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<tr>
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<td>898</td>
<td>999</td>
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<td>Employed</td>
<td>797</td>
<td>853</td>
<td>971</td>
<td>-56</td>
<td>-174</td>
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### Nonfarm Payroll Employment

| Total nonfarm employment           | 760        | 825        | 1,005      | -65        | -245       |
| Total nonfarm employment (seasonally adjusted) | 755        | 830        | 1,000      | -75        | -245       |
| Total private                      | 525        | 580        | 750        | -55        | -225       |
| Trade, transportation, and utilities | 120        | 125        | 135        | -5         | -15        |
| Professional and business services  | 240        | 245        | 235        | -5         | 5          |
| Education and health services      | 65         | 70         | 60         | -5         | 5          |
| Leisure and hospitality            | 20         | 40         | 40         | -20        | -20        |
| Government                         | 235        | 245        | 255        | -10        | -20        |
| Federal government                 | 10         | 10         | 10         | 0          | 0          |
| State government                   | 10         | 10         | 10         | 0          | 0          |
| Local government                   | 215        | 225        | 235        | -10        | -20        |

The most recent month is preliminary, the prior month is revised. Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Civilian labor force includes employed and unemployed individuals 16 years and older by place of residence.

Employed includes payroll employment, self-employed, unpaid family workers, domestics, agriculture, and labor disputants.

Unemployment rate is calculated by dividing unemployed by civilian labor force.

Nonfarm Payroll Employment: Data are by place of work and cover full- and part-time employees who worked or received pay for the pay period that includes the 12th of the month. The data exclude the self-employed, volunteers, unpaid family workers, and domestics.
### Hood River County Current Labor Force and Industry Employment

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<th>Labor Force Status</th>
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<th>March 2020</th>
<th>April 2019</th>
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<td>Unemployment rate (seasonally adjusted)</td>
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<td>Employed</td>
<td>11,680</td>
<td>13,250</td>
<td>13,567</td>
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### Nonfarm Payroll Employment

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<th>Total nonfarm employment</th>
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<th>11,950</th>
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<td>Total nonfarm employment (seasonally adjusted)</td>
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<td>Total private</td>
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<td>Mining, logging, and construction</td>
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<td>Manufacturing</td>
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<td>Arts, entertainment, and recreation</td>
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</tbody>
</table>

The most recent month is preliminary, the prior month is revised. Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Civilian labor force includes employed and unemployed individuals 16 years and older by place of residence.

Employed includes payroll employment, self-employed, unpaid family workers, domestics, agriculture, and labor disputants.

Unemployment rate is calculated by dividing unemployed by civilian labor force.

Nonfarm Payroll Employment: Data are by place of work and cover full- and part-time employees who worked or received pay for the pay period that includes the 12th of the month. The data exclude the self-employed, volunteers, unpaid family workers, and domestics.
Sherman County Current Labor Force and Industry Employment

<table>
<thead>
<tr>
<th></th>
<th>April 2020</th>
<th>March 2020</th>
<th>April 2019</th>
<th>March 2019</th>
<th>April 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Labor Force Status</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Civilian labor force</td>
<td>964</td>
<td>946</td>
<td>906</td>
<td>18</td>
<td>58</td>
</tr>
<tr>
<td>Unemployed</td>
<td>121</td>
<td>49</td>
<td>32</td>
<td>72</td>
<td>89</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>12.6%</td>
<td>5.2%</td>
<td>3.5%</td>
<td>7.4</td>
<td>9.1</td>
</tr>
<tr>
<td>Employment rate (seasonally adjusted)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employed</td>
<td>843</td>
<td>897</td>
<td>874</td>
<td>-54</td>
<td>-31</td>
</tr>
</tbody>
</table>

**Nonfarm Payroll Employment**

<table>
<thead>
<tr>
<th></th>
<th>April 2020</th>
<th>March 2020</th>
<th>April 2019</th>
<th>March 2019</th>
<th>April 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total nonfarm employment</td>
<td>840</td>
<td>915</td>
<td>890</td>
<td>-75</td>
<td>-50</td>
</tr>
<tr>
<td>Total nonfarm employment (seasonally adjusted)</td>
<td>835</td>
<td>920</td>
<td>885</td>
<td>-85</td>
<td>-50</td>
</tr>
<tr>
<td>Total private</td>
<td>530</td>
<td>580</td>
<td>550</td>
<td>-50</td>
<td>-20</td>
</tr>
<tr>
<td>Trade, transportation, and utilities</td>
<td>235</td>
<td>260</td>
<td>220</td>
<td>-25</td>
<td>15</td>
</tr>
<tr>
<td>Retail trade</td>
<td>80</td>
<td>95</td>
<td>85</td>
<td>-15</td>
<td>-5</td>
</tr>
<tr>
<td>Leisure and hospitality</td>
<td>55</td>
<td>70</td>
<td>115</td>
<td>-15</td>
<td>-60</td>
</tr>
<tr>
<td>Government</td>
<td>310</td>
<td>335</td>
<td>340</td>
<td>-25</td>
<td>-30</td>
</tr>
<tr>
<td>Federal government</td>
<td>120</td>
<td>120</td>
<td>125</td>
<td>0</td>
<td>-5</td>
</tr>
<tr>
<td>State government</td>
<td>45</td>
<td>40</td>
<td>45</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Local government</td>
<td>145</td>
<td>175</td>
<td>170</td>
<td>-30</td>
<td>-25</td>
</tr>
</tbody>
</table>

The most recent month is preliminary, the prior month is revised. Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Civilian labor force includes employed and unemployed individuals 16 years and older by place of residence.

Employed includes payroll employment, self-employed, unpaid family workers, domestics, agriculture, and labor disputants.

Unemployment rate is calculated by dividing unemployed by civilian labor force.

Nonfarm Payroll Employment: Data are by place of work and cover full- and part-time employees who worked or received pay for the pay period that includes the 12th of the month. The data exclude the self-employed, volunteers, unpaid family workers, and domestics.
## Wasco County Current Labor Force and Industry Employment

<table>
<thead>
<tr>
<th></th>
<th>April 2020</th>
<th>March 2020</th>
<th>April 2019</th>
<th>--Change From--</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Labor Force Status</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Civilian labor force</td>
<td>12,465</td>
<td>12,281</td>
<td>12,504</td>
<td>184</td>
</tr>
<tr>
<td>Unemployed</td>
<td>1,850</td>
<td>594</td>
<td>549</td>
<td>1,256</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>14.8%</td>
<td>4.8%</td>
<td>4.4%</td>
<td>10.0</td>
</tr>
<tr>
<td>Unemployment rate (seasonally adjusted)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employed</td>
<td>10,615</td>
<td>11,687</td>
<td>11,955</td>
<td>-1,072</td>
</tr>
</tbody>
</table>

| **Nonfarm Payroll Employment** |            |            |            |                 |
| Total nonfarm employment    | 8,770      | 9,980      | 10,150     | -1,210          |
| Total nonfarm employment (seasonally adjusted) | 8,820      | 10,180     | 10,210     | -1,360          |
| Total private               | 6,890      | 8,010      | 8,210      | -1,320          |
| Mining, logging, and construction | 330        | 390        | 410        | -60             |
| Mining and logging          | 60         | 60         | 70         | 0               |
| Construction                | 270        | 330        | 340        | -60             |
| Manufacturing               | 480        | 540        | 620        | -60             |
| Trade, transportation, and utilities | 1,890      | 2,070      | 2,040      | -180            |
| Wholesale trade             | 150        | 170        | 160        | -20             |
| Retail trade                | 1,510      | 1,660      | 1,650      | -150            |
| Transportation, warehousing, and utilities | 230        | 240        | 230        | -10             |
| Information                 | 210        | 220        | 170        | -10             |
| Financial activities        | 330        | 330        | 340        | 0               |
| Professional and business services | 460        | 520        | 590        | -60             |
| Education and health services | 2,080      | 2,350      | 2,350      | -270            |
| Ambulatory health care services | 300        | 450        | 440        | -150            |
| Nursing and residential care facilities | 590        | 590        | 580        | 0               |
| Leisure and hospitality     | 810        | 1,230      | 1,310      | -420            |
| Accommodation and food services | 800        | 1,180      | 1,210      | -380            |
| Other services              | 300        | 360        | 380        | -60             |
| Government                  | 1,880      | 1,970      | 1,940      | -90             |
| Federal government          | 280        | 280        | 280        | 0               |
| State government            | 250        | 250        | 260        | 0               |
| Local government            | 1,350      | 1,440      | 1,400      | -90             |
| Indian tribal               | 10         | 10         | 10         | 0               |
| Local education             | 690        | 760        | 720        | -70             |
| Local government excluding education and tribal | 650        | 670        | 670        | -20             |

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Civilian labor force includes employed and unemployed individuals 16 years and older by place of residence.

Employed includes payroll employment, self-employed, unpaid family workers, domestics, agriculture, and labor disputants.

Unemployment rate is calculated by dividing unemployed by civilian labor force.

Nonfarm Payroll Employment: Data are by place of work and cover full- and part-time employees who worked or received pay for the pay period that includes the 12th of the month. The data exclude the self-employed, volunteers, unpaid family workers, and domestics.
### Wheeler County Current Labor Force and Industry Employment

<table>
<thead>
<tr>
<th></th>
<th>April 2020</th>
<th>March 2020</th>
<th>April 2019</th>
<th>March 2020</th>
<th>April 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Labor Force Status</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Civilian labor force</td>
<td>686</td>
<td>724</td>
<td>720</td>
<td>-38</td>
<td>-34</td>
</tr>
<tr>
<td>Unemployed</td>
<td>40</td>
<td>25</td>
<td>30</td>
<td>15</td>
<td>10</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>5.8%</td>
<td>3.5%</td>
<td>4.2%</td>
<td>2.3</td>
<td>1.6</td>
</tr>
<tr>
<td><strong>Employed</strong></td>
<td>646</td>
<td>699</td>
<td>690</td>
<td>-53</td>
<td>-44</td>
</tr>
<tr>
<td><strong>Nonfarm Payroll Employment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total nonfarm employment</td>
<td>270</td>
<td>295</td>
<td>300</td>
<td>-25</td>
<td>-30</td>
</tr>
<tr>
<td>Total nonfarm employment (seasonally adjusted)</td>
<td>265</td>
<td>290</td>
<td>295</td>
<td>-25</td>
<td>-30</td>
</tr>
<tr>
<td>Total private</td>
<td>140</td>
<td>155</td>
<td>170</td>
<td>-15</td>
<td>-30</td>
</tr>
<tr>
<td>Trade, transportation, and utilities</td>
<td>30</td>
<td>35</td>
<td>40</td>
<td>-5</td>
<td>-10</td>
</tr>
<tr>
<td>Leisure and hospitality</td>
<td>15</td>
<td>25</td>
<td>30</td>
<td>-10</td>
<td>-15</td>
</tr>
<tr>
<td>Government</td>
<td>130</td>
<td>140</td>
<td>130</td>
<td>-10</td>
<td>0</td>
</tr>
<tr>
<td>Federal government</td>
<td>5</td>
<td>5</td>
<td>10</td>
<td>0</td>
<td>-5</td>
</tr>
<tr>
<td>State government</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Local government</td>
<td>125</td>
<td>135</td>
<td>120</td>
<td>-10</td>
<td>5</td>
</tr>
</tbody>
</table>

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May 28, 2020

A notice for our subscribers:

As the employment situation changed rapidly in recent weeks due to the COVID-19 pandemic, the Oregon Employment Department began issuing a news release titled *Weekly New Unemployment Insurance Claims*. We have discontinued that weekly news release, but we continue to produce claims data and analysis.

Information about new unemployment benefit programs, questions about resuming business operations, and other resources continue to be updated regularly on the Employment Department’s [COVID-19 page](https://www.qualityinfo.org/covid-19).

Initial unemployment claims data will continue to be updated each Thursday on the [QualityInfo.org COVID-19](https://www.qualityinfo.org/covid-19) page. Continued claims data will be updated and added to the page monthly. For more details on workers affected by COVID-19 closures and layoffs, please read the article below from OED economist Damon Runberg.

**Who Are the COVID-19 Unemployed in Oregon?**

*Damon Runberg*

One of the most visible and devastating impacts of the state’s stay-at-home order to protect us from the human health crisis presented by COVID-19 has been mass layoffs. Tens of millions of initial claims for unemployment insurance were filed across the nation in the first 10 weeks of the crisis. Here in Oregon about 429,300 initial claims for traditional unemployment insurance were received in the first 10 weeks, 20 percent of the statewide labor force.

During “normal” times we would typically not talk too much about unemployment insurance claims. Even during our last recession that began in 2008, the increase in unemployment insurance claims was relatively gradual. The rapid onset of the COVID-19 restrictions meant that our traditional economic indicators, such as total nonfarm employment or the unemployment rate, could not immediately show the severity of this economic shock. That left us with the unemployment insurance claims data as one of the few indicators in the first weeks of the shock that could help us understand the magnitude of the crisis. That changed with the April jobs numbers, published in May, which echo the trends in unemployment insurance claims and show record-shattering job losses totaling nearly 270,000 jobs during March and April.
We now have 10 weeks of processed initial claims data representing more than 325,000 initial claims, which is a large enough group for us to draw some conclusions about industries, areas, and populations most impacted at the onset of the crisis.

Let’s start with the regional distribution of these initial unemployment insurance claims. Not surprisingly the most populated counties have the largest number of initial unemployment insurance claims, with Multnomah County (75,191 claims) and Washington County (39,861 claims) in the Portland Metro area topping the list of counties with the highest number of claims processed. However, we can see a clearer picture of the hardest hit counties by looking at the number of initial claims as a share of the total pre-COVID labor force. Counties with large accommodation and food service sectors and tourism destinations were the hardest hit. The number of initial claims in Lincoln County represented over 22 percent of the labor force and 21 percent of the labor force in Clatsop County. Deschutes County had the highest share of unemployment insurance claims among Oregon’s metropolitan counties, accounting for nearly 18 percent of the Bend MSA labor force.

The counties least impacted 10 weeks into the crisis are the least populated in the state. They are likely ranked so low due to proportionally smaller concentration of local employment in restaurants or other businesses directly impacted by the COVID-19 restrictions, including health services and retail trade.
As would be expected, accommodation and food services has been the hardest hit industry during the current crisis, with initial claims processed over the past 10 weeks representing 38 percent of statewide employment in the industry. Arts, entertainment, and recreation was the next hardest hit as museums, ski resorts, zoos, and other recreation companies have closed or seen their operations significantly curtailed. Another hard hit industry is “other services,” which includes personal care services like fitness instructors, childcare workers, barbers/stylists, massage therapists, and pet groomers.

![Initial Unemployment Insurance Claims as a Share of Industry Employment](image)

Perhaps more surprising has been the large number of initial unemployment insurance claims being processed in construction, health care, and manufacturing. These were industries that on first glance would seem more insulated from the initial COVID-19 restrictions. Health care posting large numbers of layoffs during a health crisis may seem puzzling; however, there are many health-related businesses that are not serving on the front lines of the COVID-19 response such as dentist offices, ambulatory health services, medical labs, and surgery centers. Beginning on May 1 elective procedures are being allowed across the state. We are already beginning to see the share of unemployment insurance claims from health care drop as layoffs slow dramatically and these businesses reopen.

Layoffs in construction and manufacturing are likely a result of an inability for many of these businesses to implement effective social distancing requirements. However, as this
crisis continues, layoffs are increasingly due to a demand shock from less consumer spending. The one commonality among these hardest hit industries is an inability for many of the jobs to transition to work from home and the design of workplaces that makes social distancing difficult.

Although these COVID-related layoffs are spread across all industries, it is becoming clear that the most vulnerable Oregonians are being impacted more significantly. Lower paying occupational groups posted notably higher shares of layoffs than higher paying occupational groups. The occupational groups with a median hourly rate of less than $20 an hour represented around 67 percent of total initial claims for unemployment insurance processed over the first 10 weeks. This represents a higher share than the 58 percent of statewide employment these lower paying occupations account for. Meanwhile, the highest paying occupational groups, those with a median hourly rate greater than $30, represent only 14 percent of initial claims processed, but 22 percent of total employment.

When comparing the level of education for recent unemployment insurance claimants compared with the educational attainment of the entire labor force, it’s clear that those with lower levels of education have been hit particularly hard. This is likely a reflection of the industries most impacted by COVID-19 related closures, such as leisure and hospitality, construction, retail, and manufacturing which have a higher concentration of workers with a high school diploma or less. Around 57 percent of recent unemployment insurance claims

---

**Initial Claims by Occupational Group as a Share of Total Employment**

<table>
<thead>
<tr>
<th>Occupational Group</th>
<th>Median Hourly Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Care and Service</td>
<td>Less than $15.00</td>
</tr>
<tr>
<td>Construction and Extraction</td>
<td>$15.00 - $19.99</td>
</tr>
<tr>
<td>Management</td>
<td>$20.00 - $29.99</td>
</tr>
<tr>
<td>Healthcare Practitioners</td>
<td>Greater than $30.00</td>
</tr>
<tr>
<td>Computer and Mathematical</td>
<td></td>
</tr>
<tr>
<td>Architecture and Engineering</td>
<td></td>
</tr>
<tr>
<td>Business and Financial Operations</td>
<td></td>
</tr>
<tr>
<td>Legal</td>
<td></td>
</tr>
<tr>
<td>Healthcare Support</td>
<td></td>
</tr>
<tr>
<td>Office and Administrative Support</td>
<td></td>
</tr>
<tr>
<td>Transportation and Material Moving</td>
<td></td>
</tr>
<tr>
<td>Production</td>
<td></td>
</tr>
<tr>
<td>Sales and Related</td>
<td></td>
</tr>
<tr>
<td>Building and Grounds Cleaning and Maintenance</td>
<td></td>
</tr>
<tr>
<td>Food Preparation and Serving</td>
<td></td>
</tr>
<tr>
<td>Farming, Fishing, and Forestry</td>
<td></td>
</tr>
<tr>
<td>Education, Training, and Library</td>
<td></td>
</tr>
<tr>
<td>Protective Service</td>
<td></td>
</tr>
<tr>
<td>Community and Social Service</td>
<td></td>
</tr>
<tr>
<td>Life, Physical, and Social Science</td>
<td></td>
</tr>
<tr>
<td>Arts, Design, Entertainment, Sports, and Media</td>
<td></td>
</tr>
<tr>
<td>Installation, Maintenance, and Repair</td>
<td></td>
</tr>
<tr>
<td>Installation, Maintenance, and Repair</td>
<td></td>
</tr>
</tbody>
</table>

Source: Oregon Employment Department, initial Unemployment Insurance claims processed in the 10 weeks ending May 23, 2020.
were by individuals with a high school diploma or less, a significantly higher share than the 28 percent of the labor force they account for.

The age distribution of the unemployment insurance claimants is fairly typical of the labor force more broadly, with a few exceptions. Those ages 25 to 34 have been particularly hard hit. They accounted for roughly 28 percent of all unemployment insurance claimants in the past 10 weeks, but only 23 percent of the total labor force. This age group accounts for a larger share of the jobs in industries most impacted by COVID-19 related closures. It could also be that this group represents workers earlier in their career and they were more susceptible to layoffs than higher level managers or supervisors. The youngest workers (ages 16 to 19) seem to be the least impacted, accounting for only 2 percent of total claimants. However, this is likely a reflection of lack of unemployment insurance coverage for these young workers who have fewer covered hours in the system.
While filing for unemployment benefits claimants are asked their gender, race, and ethnicity. These questions are not mandatory, resulting in a significant amount of non-response. For instance, this early look at the data only includes gender information for around 55 percent of the 325,000 initial claims processed. The initial claims processed for men (90,997) were slightly higher than those processed for women (87,633). However, before the COVID crisis women represented just 36 percent of all unemployment insurance claimants. Since March 15 they’ve represented almost half of the claims that included gender.

Based on data from the U.S. Census Bureau’s American Community Survey, women represent the majority of employed workers in many of the industries hardest hit by recent layoffs, including accommodation and food services (57%); health care and social assistance (76%); and other services (55%). With women also representing a larger share of layoffs than is typical, it is likely that women are being disproportionately impacted by these COVID layoffs.

There are similar non-response issues with race. Roughly 20 percent of the unemployment insurance initial claims with some demographic information did not include race. Additionally, no unemployment insurance claimants were coded into the “two or more races” category. Excluding those non-responses, the racial and ethnic breakout of the COVID unemployed looks very similar to Oregon’s labor force who identify as a single race. However, similar to gender it is difficult to definitively state that all racial and ethnic
groups are being impacted similarly relative to their size, as the non-response rate is high enough to leave open some uncertainty.

The Race and Ethnicity of Initial Unemployment Insurance Claimants Is Consistent with the Labor Force

This is a difficult time for many of us. In addition to the emotional toll this global pandemic is taking, many of our fellow Oregonians are also struggling with the economic realities of becoming unemployed. The Oregon Employment Department is here to serve in this time of need by administering unemployment insurance. Due to the record increase in claims, it is taking longer than usual for claims to be processed. The Unemployment Insurance Division is working as fast as they can to process every claim, and they continue to add staff. They ask that you continue to file weekly and you will be notified when your claim is processed. For additional information about unemployment insurance and updates regarding new federal programs go here.
May 15, 2020

VIA ELECTRONIC MAIL

Elliot Mainzer
Administrator, Bonneville Power Administration
Portland, OR 97232


Dear Elliot,

We appreciate the efforts that you and BPA staff are making to adapt to the extraordinary challenges facing Northwest public power utilities and the communities we serve. As you stated in your March 25 communication to customers, “[t]hese are unprecedented times for the world and they have called for unprecedented actions.” What public power customers need most right now is substantive rate relief from BPA, which can be delivered through a pause in BPA’s Financial Reserves Policy Surcharge.

BPA’s public power customers are already taking on such unprecedented actions through their own means to support their communities through the impacts of the Covid-19 pandemic. PPC recently conducted a survey of member utilities regarding the measures they are taking to help rate payers and to support utility finances and solvency. Essentially, every utility is already taking their own significant measures to mitigate the pandemic’s economic consequences, including suspending disconnections, expanding retail customer assistance programs, and freezing planned rate adjustments.

To support these actions at a time when loads and revenues are decreasing, public power utilities are using all the financial tools at their disposal. This includes tapping financial reserves, cutting program spending, accessing short term lines of credit, and implementing furloughs and hiring freezes.

We believe the clearest path for immediate relief is temporary suspension of BPA’s Financial Reserves Policy Surcharge, a requested action from public power that is solely in response to the financial duress created in Northwest communities by the pandemic. This surcharge is currently collecting $30 million in power rates for FY 2020 and is projected to trigger again in FY 2021 for the same amount. We urge that collection cease immediately and be applied retroactively to March 1, 2020, the effective date of the declaration of a national emergency due to the pandemic. Given the probability of
continued economic fallout, suspension of the mechanism should continue for FY 2021 and be reevaluated for the next rate period.

PPC supports the underlying purpose of the Financial Reserves Policy, but continued implementation of the surcharge in the present circumstances is not tenable. Given the actions being taken by utilities to support their own communities and individual utility financial solvency, the surcharge further drains utility resources and their customers and essentially transfers money directly from utility balance sheets to BPA. As one of our members noted in the PPC survey, “[n]ow is NOT the time for us to be improving our debt ratio on the back of the unemployed.” We are not requesting that the surcharge policy itself be abolished, but rather that a pause in collection of the surcharge for the remainder of this rate period is essential and would serve as a meaningful benefit to communities and BPA public power customers across the Northwest.

Based on BPA’s current financial outlook, foregoing accumulation of approximately $21 million of financial reserves will not appreciably affect BPA’s credit rating, solvency, or probability of triggering the Cost Recovery Adjustment Mechanism (CRAC) for FY 2021. Even without this surcharge, BPA Power Services would still be projected to have over $230 million in financial reserves, or over 45 days cash on hand, at the end of FY 2020. There would be no measurable effect on BPA’s ability to meet Treasury payment obligations for FY 2020.

Further, because the surcharge is characterized as a “risk adjustment,” its suspension does not endanger BPA’s ability to recover its total system costs or meet any other statutory ratemaking directives. And certainly, procedural considerations surrounding suspension of the surcharge should not stand in the way of BPA offering its power customers meaningful rate relief. BPA and the public power utilities that bear the burden of this surcharge have a long history of working out procedural issues and we stand ready to do so again. Finally, foregoing potential surcharge revenue in FY 2021 will not materially affect BPA’s financial outlook as the BP-22 rate case will be conducted during this time to make any needed adjustments for rates starting in FY 2022.

Given the nominal financial risk to BPA from foregoing surcharge revenues, PPC believes this would be a prudent and justifiable response to the pandemic. It is also a matter of equitable sharing of risk mitigation between BPA and its public power customers.

We also fully understand the potential risks and tradeoffs of BPA having lower financial reserves or increased scrutiny from credit rating agencies. Northwest public power does not make this recommendation lightly, nor without due consideration of potential consequences. And again, this request should in no way be viewed as an abandonment of the overall policy or sound financial principles. Rather, it is a targeted and temporary
suspension of surcharge implementation in light of extraordinary and unforeseeable circumstances that go far beyond normal business risk.

At the same time utilities are doing their utmost to manage short-term liquidity with their own resources, our survey demonstrates that the financial fallout of the pandemic may already be beyond the means of some utilities to fully manage without additional tools. This challenge may continue to grow. Although cost and rate reduction must be our highest priority, PPC also supports continued exploration of tools allowing temporary flexibility and tailored arrangements with BPA customers to weather this financial storm. Of course, this must be accomplished in a manner that is equitable between customers and does not endanger BPA’s overall financial health.

As always throughout our long, shared history the success and financial well-being of Northwest public power and BPA are intrinsically linked. We look forward to working collaboratively with you and your staff to find the most immediate and effective ways to suspend the Financial Reserves Policy Surcharge as recommended above.

Sincerely,

Officers of the Executive Committee of the Public Power Council

Debra Smith  
Chairwoman  
CEO, Seattle City Light

Annette Creekpaum  
Vice Chair, Administration & Budget  
Manager, Mason County PUD #3

Mark Johnson  
Vice Chair, Long Range Planning  
General Manager, Flathead Electric Cooperative

Bear Prairie  
Vice Chair, Allocation, Rates, Contracts  
General Manager, Idaho Falls Power

Roger Kline  
Vice Chair, Fish and Wildlife  
General Manager, Northern Wasco County PUD

Scott Simms  
Secretary / Treasurer  
Executive Director, Public Power Council
May 29, 2020

Dear BPA customers:

The COVID-19 pandemic has created significant challenges and uncertainties for utilities across the Pacific Northwest. In recent months, daily life has changed significantly to combat the spread of the virus, and communities are facing unprecedented economic impacts. Since the outbreak of COVID-19, the Bonneville Power Administration has been assessing the flexibilities it can extend to customers to help alleviate the economic challenges. After discussing these challenges with customers and considering our options for providing rate relief, Bonneville is proposing to suspend its Financial Reserves Policy Surcharge (FRP Surcharge) for the remainder of the current rate period.

To do so, we are initiating an expedited rate proceeding in June, conducted under Section 7(i) of the Northwest Power Act. In addition, if the FRP Surcharge is suspended in the final decision, we would also seek expedited approval from the Federal Energy Regulatory Commission. The effective date of the suspension would depend on several factors, including the timing of the Commission’s approval. The suspension of the surcharge would provide power customers rate relief of about $3 million per month for the remainder of FY 2020 and $30 million for all of FY 2021.

We can also take immediate advantage of contractual flexibilities and provide support through extended payment agreements, which are available to power and transmission customers on a case-by-case basis. In addition, Regional Dialogue customers have access to the Flexible Priority Firm program to shape FY 2020 power charges into FY 2021. Bonneville believes that the proposal to suspend the FRP Surcharge, coupled with extended payment options, will provide meaningful relief to our customers.

I am grateful for the partnership with our customers and their recognition of the importance of Bonneville’s long-term financial standing. But we can also all agree that this extraordinary situation requires extraordinary measures. The proposal Bonneville intends to make in the expedited section 7(i) proceeding, if accepted in the record of decision, would provide the region’s utilities some much needed financial relief. Bonneville will host a customer workshop on Friday, June 5, to discuss the proposed changes to the FRP Surcharge along with a proposed schedule for the expedited rate proceeding.
While it is going to take some time to understand the full impact of the COVID-19 pandemic on the region’s utilities and Bonneville, I am confident that we can work together to find a path forward through these unprecedented events.

Sincerely,

Elliot Mainzer
Administrator and CEO