

**Trinity Public Utilities District**  
**MINUTES OF THE REGULAR MEETING OF THE BOARD**  
**January 13, 2022**

Location: Trinity Public Utilities District Community Room  
26 Ponderosa Lane, Weaverville, California

Board Present: Alex Cousins, Kelli Gant, Andrew Johnson, Richard Morris, Michael Rourke  
Board Absent: None  
Others Present: Paul Hauser, Jim Underwood, Mike Garcia, Julie Catanese and Marjie Watkins

Others Present via  
Audio/Video

Teleconference: Sarah Sheetz, Jill Cox, Tom Walz, Tony Reed, James Aven, John Brower,  
Henry Miller

**1. President Rourke called the meeting to order at 2:00 p.m.**

**2. Approval of the Agenda Order**

Director Cousins made a motion to approve the Agenda Order. Director Gant seconded the motion. The motion passed with the following roll call vote:

Alex Cousins	-Aye
Kelli Gant	-Aye
Andrew Johnson	-Aye
Richard Morris	-Aye
Michael Rourke	-Aye

**3. Closed Session Report of December 9, 2021 Meeting**

Mr. Hauser provided the Closed Session Report of the December 9, 2021 meeting.

**4. Public Input**

None

**5. Consent Calendar**

Director Morris made a motion to approve the Consent Calendar. Director Gant seconded the motion. The Consent Calendar included:

- a. Adopt Resolution 22-01 Re-Authorizing Remote Teleconference Meetings
- b. Approve Minutes of the Special Board Meeting December 6, 2021
- c. Approve Minutes of the Special Board Meeting December 7, 2021
- d. Approve Minutes of the Regular Board Meeting December 9, 2021
- e. Accept Minutes of the Safety Meeting January 4, 2022
- f. Validate Bills of December 2021
- g. Approve Financial Reports of November 2021
- h. Approve 2022 Meeting Calendar

The motion passed with the following roll call vote:

Alex Cousins	-Aye
Kelli Gant	-Aye
Andrew Johnson	-Aye
Richard Morris	-Aye
Michael Rourke	-Aye

## 6. Conduct Public Hearing regarding proposed Rate Restructuring

### a. Rate Restructuring Presentation

President Rourke opened the Public Hearing at 2:02 p.m.

Mr. Hauser presented the Rate Restructuring Power Point, attached, and incorporated herein.

Following the presentation, Director Gant inquired if the District had received additional public comment via e-mail. Staff confirmed that the District did not.

President Rourke inquired if there were any comments from the Public in attendance.

John Brower requested that the Board comment on anti-cannabis activities by Board Members and Management. President Rourke responded that there has been no effort on behalf of the Board taking a stance against cannabis. Director Cousins agreed with President Rourke, that the Board has not taken a stance against cannabis. Director Johnson advised that the Board has taken actions to perform system upgrades that directly serve the cannabis industry. Mr. Brower again requested a response on the anti-cannabis activities of the Board and Management. Director Gant stated that the Board has not taken any position on cannabis, and that the proposed improvements to circuits are in areas where there are a number of cannabis grows. Mr. Brower then commented that if Trinity County does not have a functioning permit program along with retail opportunities that it will be hard to keep the Utility afloat. President Rourke thanked Mr. Brower for his comments and redirected the conversation to the Rate discussion.

There being no other comments from the Public, President Rourke closed the Public Hearing at 2:27 p.m.

## 7. Action Items

### a. Items Pulled from Consent Calendar

None

### b. Adopt Resolution No. 22-02, Amending the following Rate Schedules:

- No. 1 – Residential Service A
- No. 3 – Commercial Service A
- No. 5 – Industrial/Large Power Service
- No. 7 – Outdoor Area Lighting Service
- No. 8 – Street and Highway Lighting
- No. 9 – Agricultural Pumping Service
- No. 11 – Unmetered Service
- No. 18 – Drought Relief Surcharge
- No. 19 – State of California Service
- No. 20 – High Impact Load Service

Following a discussion, Director Cousins made a motion to Adopt Resolution 22-02 approving Amendment of the Rate Schedules listed above, all effective February 11, 2022, Director Morris seconded the motion.

Director Johnson inquired about the need to retain Zones A and B, Mr. Hauser advised they would remain in place until the rates are tried up. Director Johnson inquired about the current discount for Commercial accounts with minimal usage, Mr. Hauser

advised the discount would remain in place. Director Johnson inquired about the structure and ownership of street lights. Mr. Hauser advised it is not uniform throughout the District, but that typically a customer pays a monthly fee for the service and the District maintains the infrastructure.

Director Cousins inquired if there were a mechanism for reviewing and stopping the rate increases if during the next four years an increase becomes unnecessary. Mr. Hauser replied that the Board reviews financials monthly, and the budget annually. He advised that a Public Hearing is not required for rate decreases.

President Rourke thanked the Board and Staff for the time and energy that went into the process. Directors Gant and Morris concurred.

The motion passed with the following roll call vote:

Alex Cousins	-Aye
Kelli Gant	-Aye
Andrew Johnson	-Aye
Richard Morris	-Aye
Michael Rourke	-Aye

c. Amend Payment of Payables Policy

Mr. Hauser reviewed the report with the Board. Following a brief discussion regarding the current process of utilizing credit cards, current supply chain disruptions and lead times, Director Gant made a motion to Amend Payment of Payables Policy. Director Morris seconded the motion. The motion passed with the following roll call vote:

Alex Cousins	-Aye
Kelli Gant	-Aye
Andrew Johnson	-Aye
Richard Morris	-Aye
Michael Rourke	-Aye

d. Amend Expense and Use of Public Resources Policy

Mr. Hauser reviewed the report with the Board. Following a brief discussion, Director Morris made a motion to Amend Expense and Use of Public Resources Policy. Director Johnson seconded the motion. The motion passed with the following roll call vote:

Alex Cousins	-Aye
Kelli Gant	-Aye
Andrew Johnson	-Aye
Richard Morris	-Aye
Michael Rourke	-Aye

**8. Reports:**

a. Wildfire Mitigation Plan (WMP) Reporting Metrics Update

Mr. Hauser reviewed the Wildfire Mitigation Plan Report with the Board, attached and incorporated herein, which included the entire Calendar Year 2021 Report. President Rourke inquired about how many of the 192 damaged poles were the result of intrusive inspections. Superintendent Garcia responded that damage comes in from both intrusive and visual inspections, but that intrusive inspections typically yield more results.

b. General Managers Reports:

- Land Exchange

Mr. Hauser thanked Director Cousins and Trinity County Supervisor Cox for their assistance with the Land Exchange, noting that recent progress has been made, with some recent correspondence received from the United States Forest Service.

- Power Outages

Mr. Hauser reviewed the Outage Summary, attached and incorporated herein, with the Board. Mr. Hauser advised that the Trinity PUD crews and staff responded in a tremendous way and were able to get the power restored to customers within approximately 3 days, while PG&E customers remained out for more than 2.5 weeks. The District did utilize a mutual aid agreement with the Western Area Power Administration to bring in additional assistance during the storms, which was critical to the restoration efforts.

- Balancing Authority of Northern California (BANC)

Mr. Hauser stated that there hasn't been a lot of activity with BANC. He advised that Dan Beans, current Electric Utility Director for the City of Redding is moving on to become the Electric Utility Director for the City of Roseville. Mr. Beans will maintain his residence in Trinity County.

- Right-of-Way (ROW) Project Update

Mr. Hauser advised the process of timber sale negotiations has begun, and is currently working with the United States Forest Service and the Bureau of Land Management. He advised that both agencies recognize the value of the product we are giving them, which is a linear fire break along the power lines. Mr. Hauser also reported that there have been many meetings with CalFire and the Federal Emergency Management Agency (FEMA) on the grant process with Aspen Environmental Group. Director Johnson inquired if the proposal including Federal land makes it less desirable for Cal Fire to award us funding? Mr. Hauser advised that it may reduce the attractiveness of the proposal. Director Cousins inquired as to when the Board would have the opportunity to see visual simulations that show how the project may look on the landscape. There was a discussion about the Board's responsibility in reviewing and approving the project, and the process for getting to the approval point. President Rourke recommended that the ad-hoc Forestry Committee get involved in the review of the project and provide monthly updates to the Board. Mr. Hauser advised that he has also enlisted the assistance of Tom Walz, Professional Forester, to represent the District on the project.

- Western Area Power Administration (WAPA) Fiber Project Update/Oregon Mountain Communications Building Update

Mr. Hauser reported that Velocity Technology has done the fiber splice at the District Office and in Lewiston and intends to test it on January 14, 2022. He advised that there is still work being done on the piece to get AT&T connected at Keswick Substation.

- Trinity County Community Choice Aggregation

Mr. Hauser advised that Trinity County Supervisor Jeremy Brown contacted Mr. Hauser with some interest in this topic. He advised that the County may have the ability to form a Community Choice Aggregation District, and that in the past the Board volunteered the District's assistance in doing some economic analysis. There is potential benefit to Trinity County residents who are not served by the District, as they would have access to Trinity First Preference Power. The power would still be delivered over PG&E distribution lines, but the cost of the power in those areas could potentially be reduced by 20-25 percent. Trinity County is in possession of the

metering data for those areas and if the Board doesn't object, Mr. Hauser stated that the District would sign a Non-Disclosure Agreement to assist and administer assistance at the District's cost to determine if it makes sense for the County.

- COVID Relief Funding for Special Districts - \$25,479

Mr. Hauser advised that Marjie Watkins, Clerk III was instrumental in obtaining the COVID Relief Funding for Special Districts. The Board thanked Ms. Watkins for her efforts.

- New Lineman – Kelly Plew

Mr. Hauser reported that the District recently hired Lineman Kelly Plew – a Trinity High School graduate returning to the area.

- Bureau Payment

Mr. Hauser advised that the payment from the Bureau of Reclamation is going to be in excess of \$866,000 this year.

- Storm Damage – Disaster Declaration

Mr. Hauser advised that the District will submit a claim for the restoration efforts and infrastructure repairs that took place as a result of the December storm event in Trinity County. The California Office of Emergency Services will be visiting the County on January 14, 2022, Mr. Garcia will provide them with a tour of some of the Districts damaged facilities.

c. Committee Reports

- Ad-hoc Forestry Committee

None

- Ad-hoc Mission Statement Committee

Director Gant stated that with the Rate discussion complete she would like to move forward on the Mission Statement with Director Morris.

- Ad-hoc Rate Committee

Director Johnson recommended dissolving this committee. President Rourke advised he would like to wait a month or two.

- Ad-hoc Public Communications Committee

Director Cousins recommended dissolving this committee. Director Johnson advised he would like to implement social media communications. President Rourke advised he would like to leave this committee active for now.

d. Board Member Reports

Director Gant reported that her term on the American Public Power Association Policy Makers Council will be expiring, and that Mr. Hauser can make a nomination for a replacement if he chooses. The requirements are a phone call for a half an hour once per month and a meeting in July in Washington DC.

**9. Discussion Items**

None

**10. Communications Received**

None

**11. Meetings and/or Workshops**

- a. American Public Power Association Legislative Rally  
The Mayflower Hotel, Washington DC  
February 28, 2022-March 2, 2022

President Rourke, Director Gant, Mr. Hauser and Ms. Sheetz will be attending if in person meetings are available.

- b. California Municipal Utilities Association Capitol Day  
Sheraton Grand Hotel, Sacramento, CA  
February 7, 2022

Director Johnson, Director Gant, Mr. Hauser and Ms. Sheetz are registered for the event, which has gone to a virtual platform.

**12. Public Input**

None

The Board took a brief recess at 4:07 p.m. and entered Closed Session at 4:17 p.m.

**13. Closed Session**

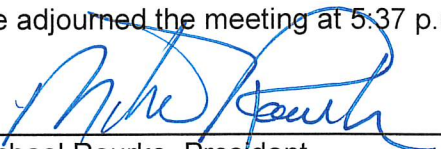
- a. Closed Session Item Under Government Code §54956.9  
**Conference with Legal Counsel – Anticipated Litigation**  
Two Potential Cases  
No Reportable Action

- b. Closed Session Item Under Government Code §54956.9  
**Conference with Legal Counsel – Existing Litigation**  
Claimant: Jean and Alfred Baldocchi  
No Reportable Action

- c. Closed Session Item Under Government Code §54957.6  
**Conference with Labor Negotiator**  
Agency Negotiator: General Manager  
Employee Organization: Trinity Public Utilities District Employees Association  
No Reportable Action

**14. Adjournment**

There being no further business, President Rourke adjourned the meeting at 5:37 p.m.

  
\_\_\_\_\_  
Michael Rourke, President

ATTEST:   
\_\_\_\_\_  
Richard Morris, Clerk

1/13/22 Item 6.

# Trinity PUD

Rate Discussion

# Background

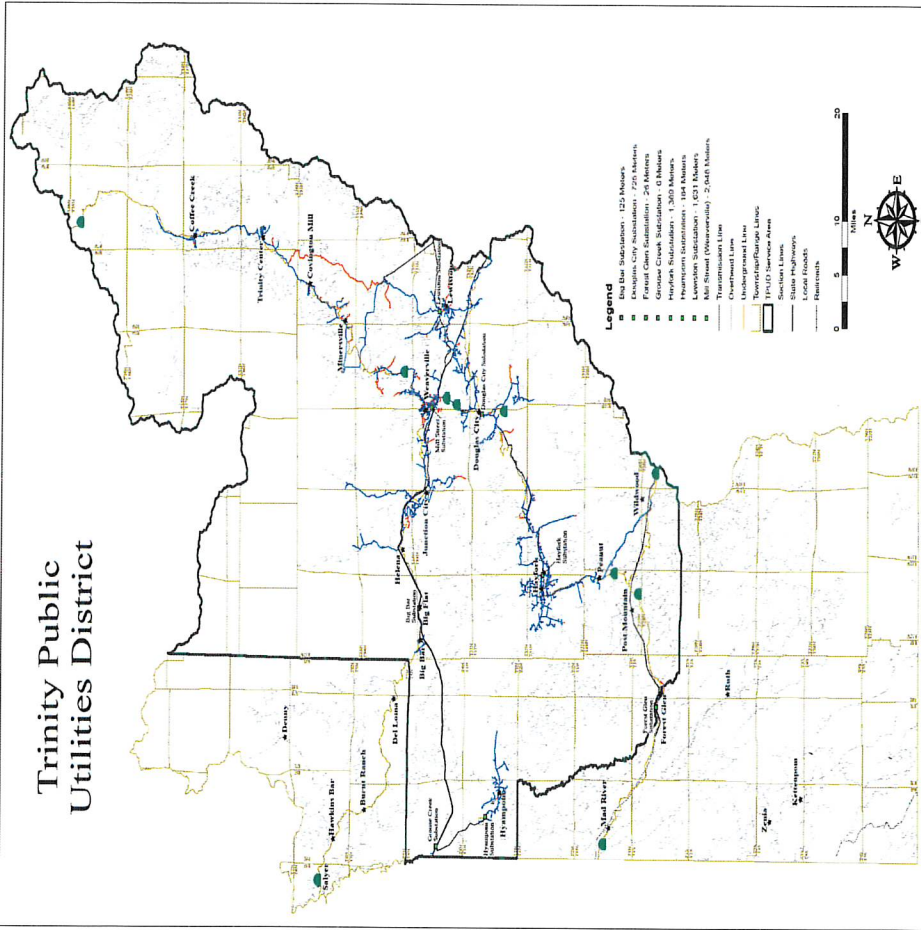
- TPUD began delivering power to Weaverville in 1982 taking advantage of the 1955 Trinity River Division Act that set aside 25% of the power generated from Trinity River water for “the use of the citizens of Trinity County”
- TPUD has a “first preference” right to purchase power from the Western Area Power Administration (WAPA)
- TPUD’s first preference power satisfies California’s renewable power mandate under SB100
- In 1993 TPUD purchased powerline and substation assets from PG&E allowing the PUD to provide power to the areas outside of Weaverville expanding to the current service area.



# Additional Background

- Today TPUD has 25 employees that provide electric service to 7,350 customers located over a 2,200 square mile service territory
- The PUD has 9 substations and more than 700 miles of power lines
- 94% of the power is delivered over WAPA and TPUD transmission lines with the remaining 6% delivered from PG&E transmission lines
- All of the power is renewable, emission free hydropower from the Central Valley Project
- TPUD has not had a rate increase since 2005

# Trinity Public Utilities District



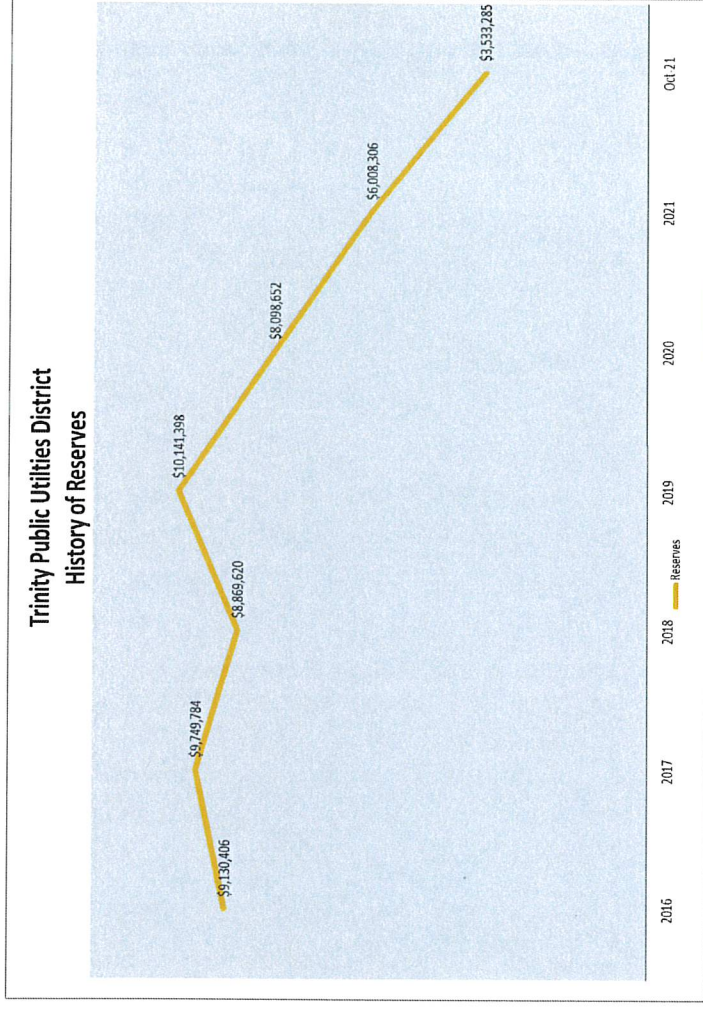
**Legend**

- Water Treatment Plant - 125 Meters
- Lawrenceville Storage Tank - 720 Meters
- Forest Glen Station - 24 Meters
- Grass Creek Station - 42 Meters
- Lawrenceville Station - 104 Meters
- Lawrenceville Station - 103 Meters
- Mill Street (Waterworks) - 204 Meters
- Overhead Lines
- Underground Lines
- Transmission Lines
- Distribution Lines
- Service Areas
- State Highways
- Local Roads
- Roads

Scale: 0 5 10 Miles

## Decline in Reserves

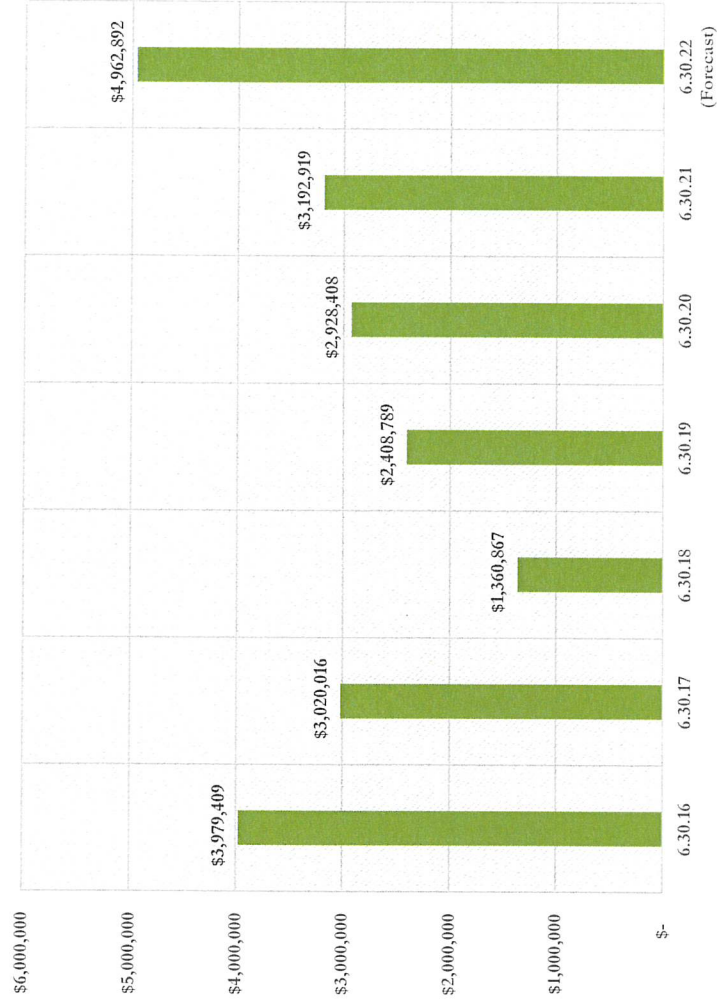
- Reserves began to decline in 2019 as capital expenditures increased
- Power costs have also increased during this time period
- Increased cost for vegetation management (SB 247 mandated a 40% increase in tree trimmer wages)
- ROW Expansion Project
- Capital Investments to Serve New Load
- Helena Fire settlement resulted in a loss of wildfire liability insurance
- Without a rate increase TPUD would run out of money in 2024
- TPUD needs to raise approximately \$2.5 million annually in additional revenue



## Increase in Power Cost

- Pervasive drought dramatically increases power cost
- Increased water releases to the Trinity River (versus diversions to the Sacramento River) both increase power cost and reduce power available
- Inflation has accelerated increasing the cost to operate the hydro power plants and maintain the high voltage transmission system

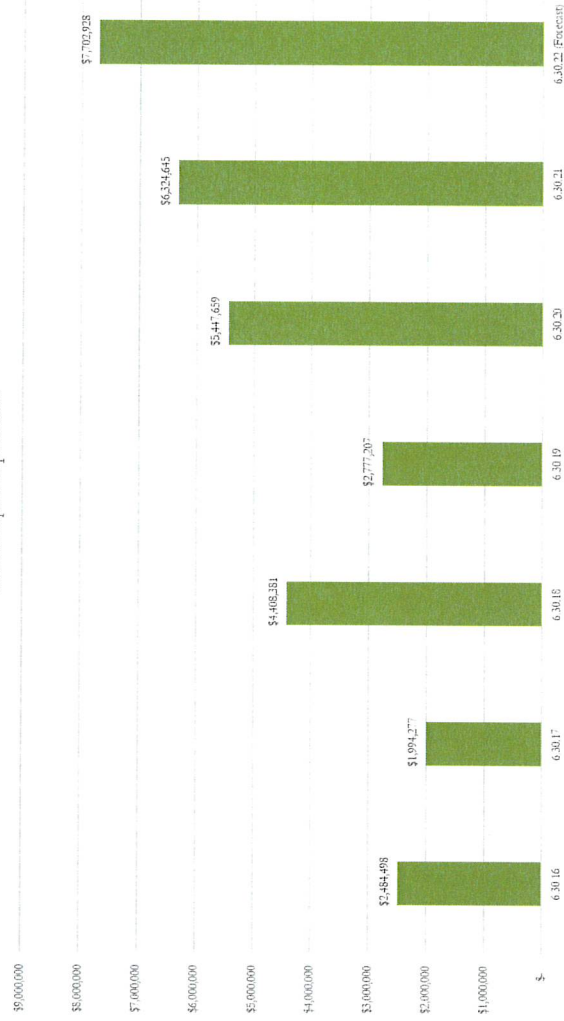
Trinity Public Utilities District  
Annual Power Costs



## Capital Expenditures

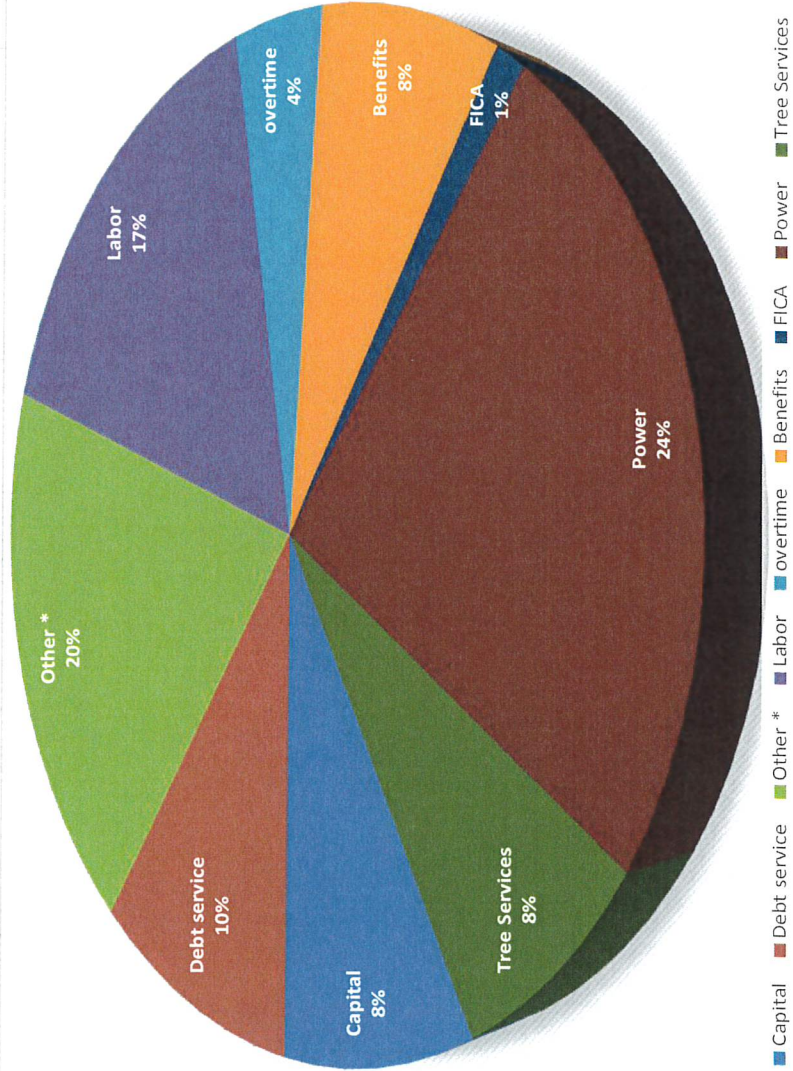
- Significant capital expenditures to serve new load – approx. \$6 million spent with another \$7 million identified
- Significant increase in pole replacements as a result of California Wildfire Legislation (AB 1054 in July 2019)
- ROW Expansion – approx. \$3 million spent

Trinity Public Utilities District  
Annual Capital Expenditures

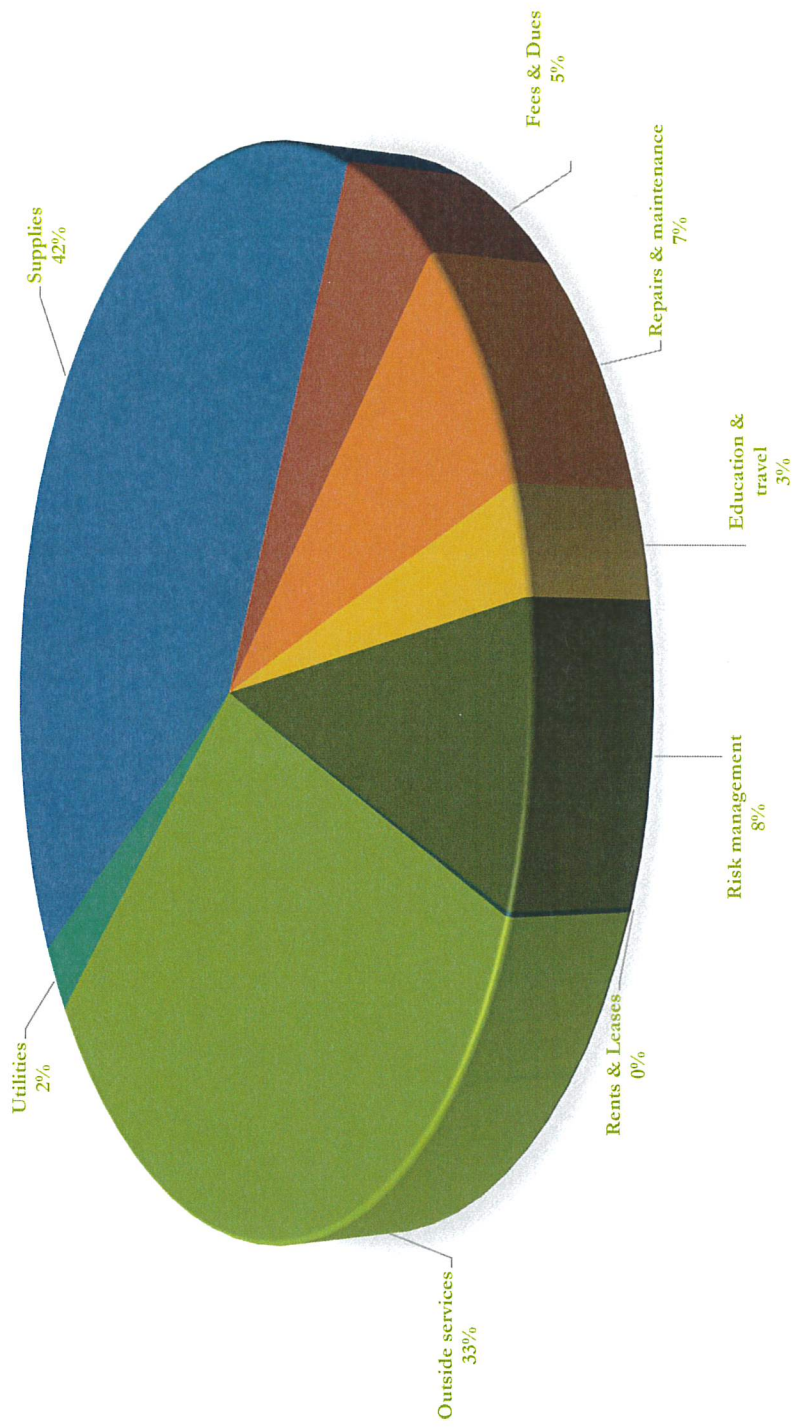


# Costs by Activities

## FY 21/22 Budget



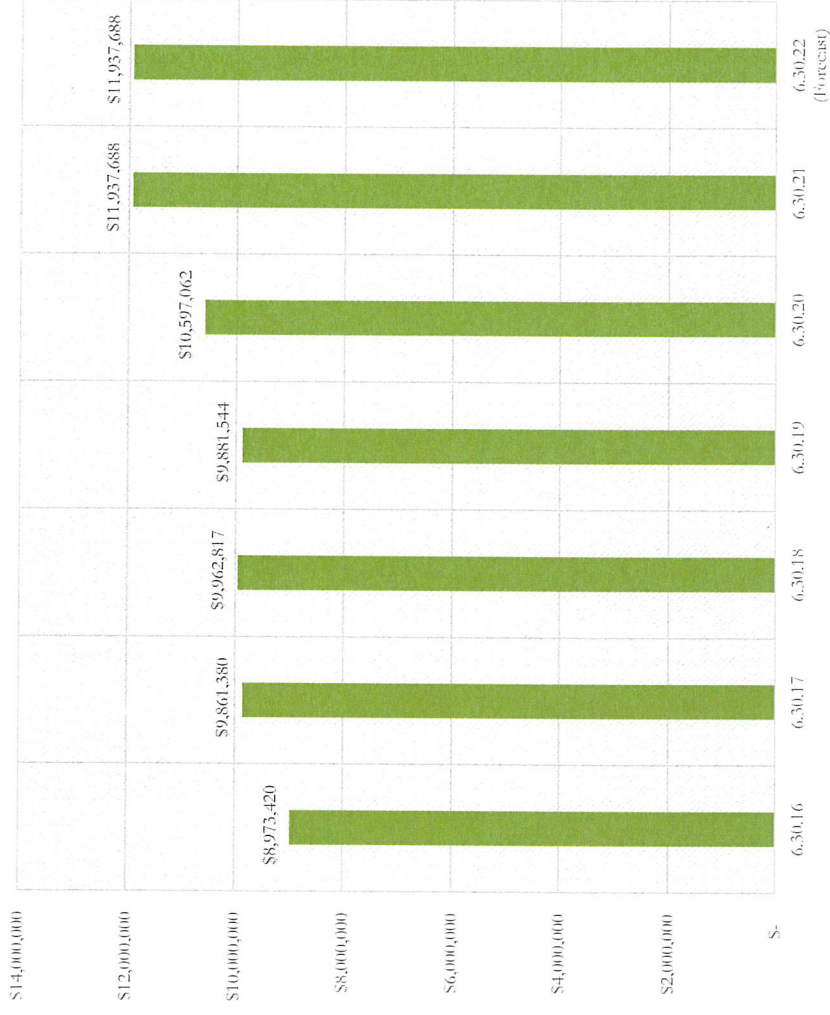
**OTHER ACTIVITIES\***



## Revenue from Power Sales has Increased

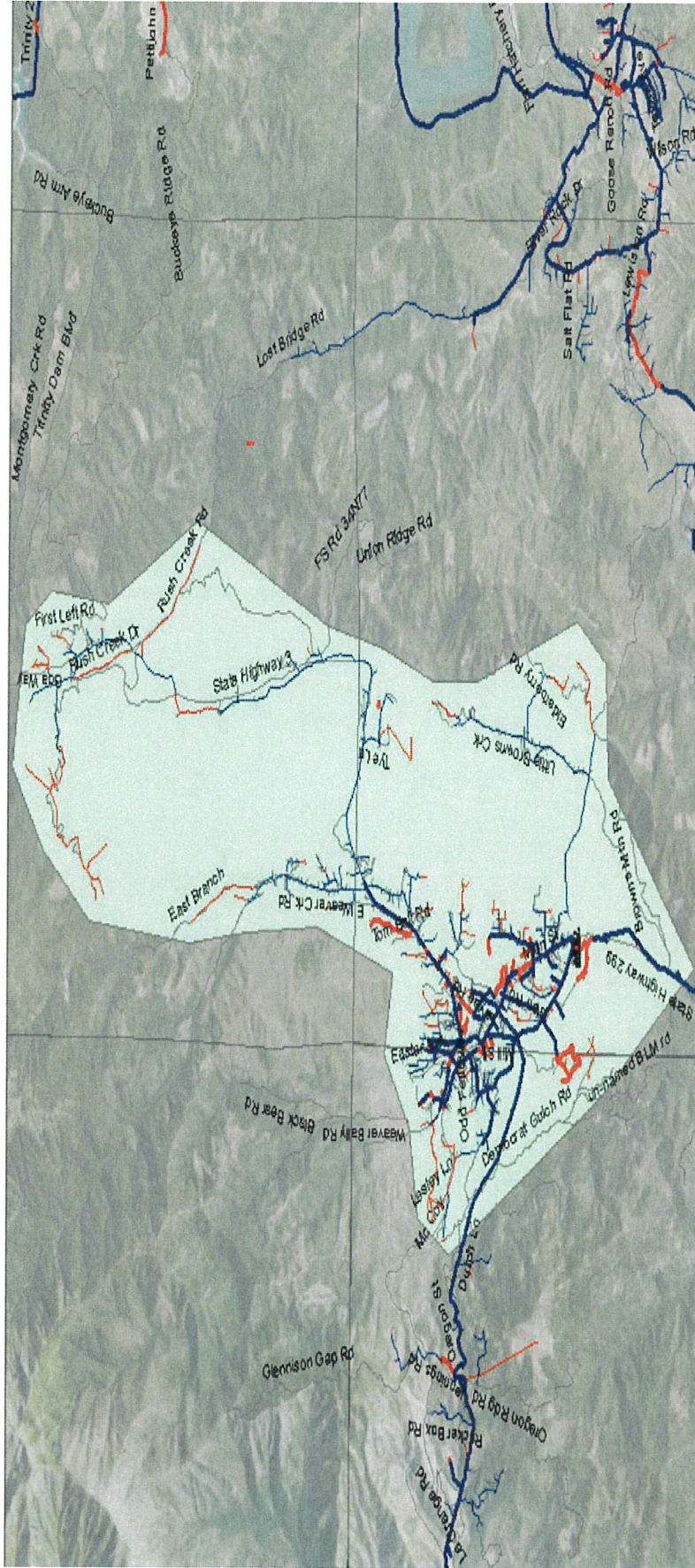
- TPUD has added significant new load since 2019
- All of the new load is in the High Impact and commercial categories
- Residential load has declined slightly
- Additional system investments are required in order to add new load
- TPUD needs to raise approximately \$2.5 million in annual revenue

Annual kWh Revenue

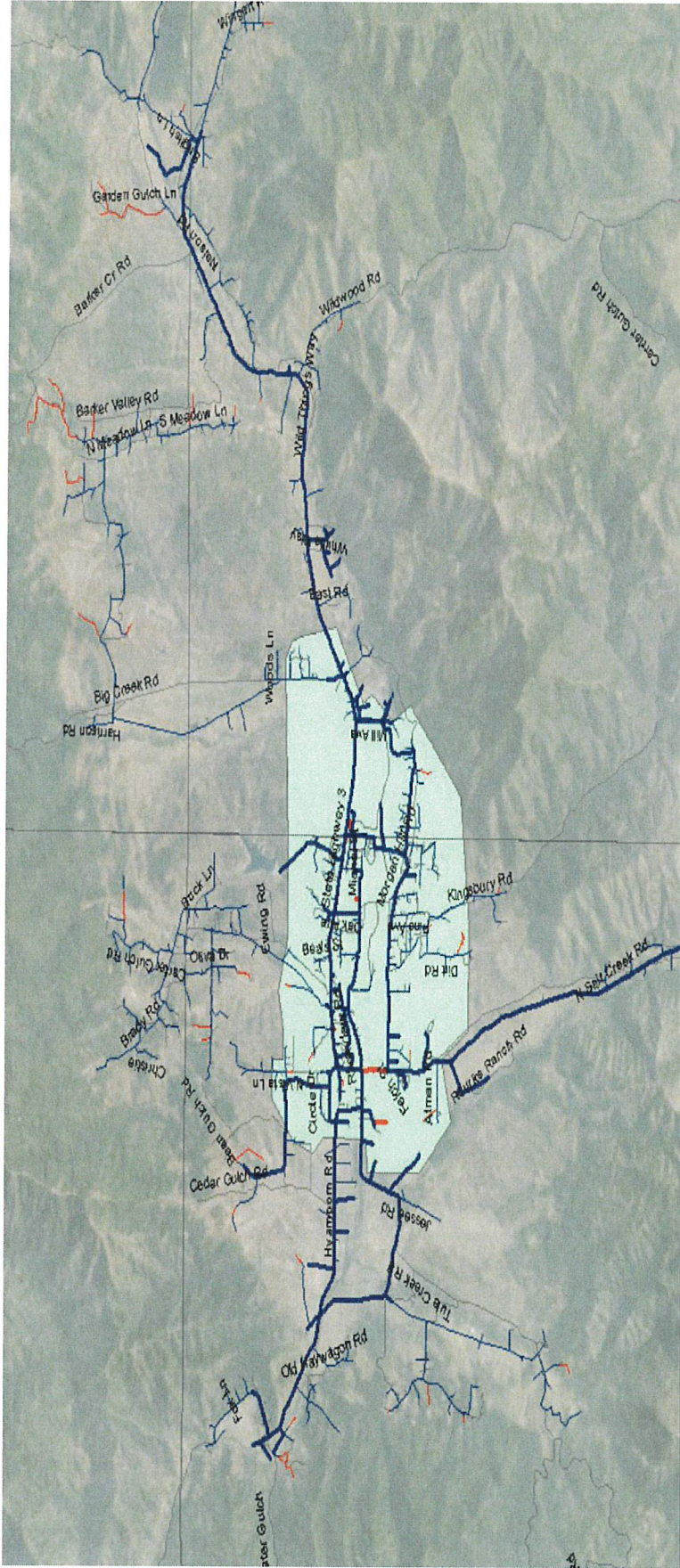




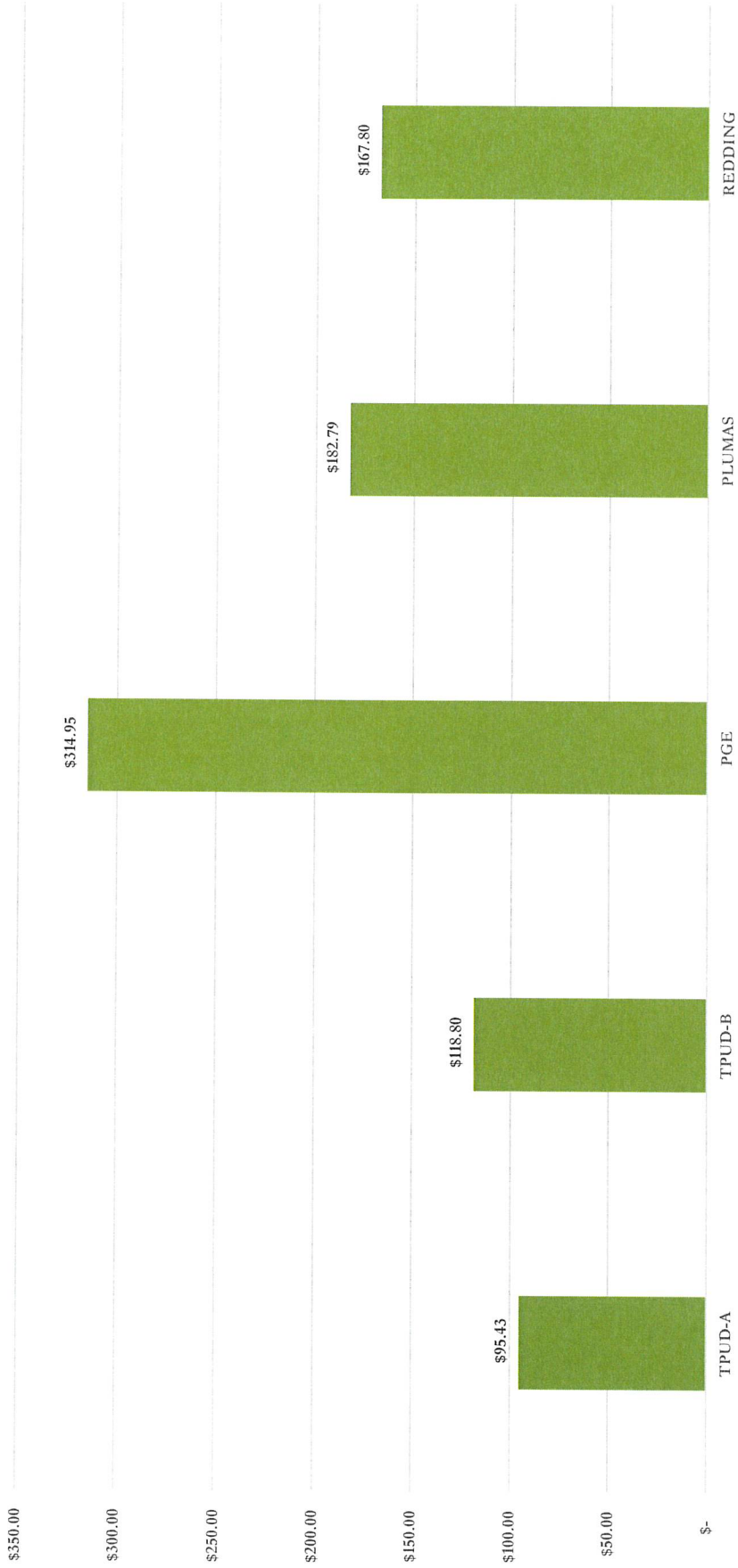
# Weaverville Geographic Zone A



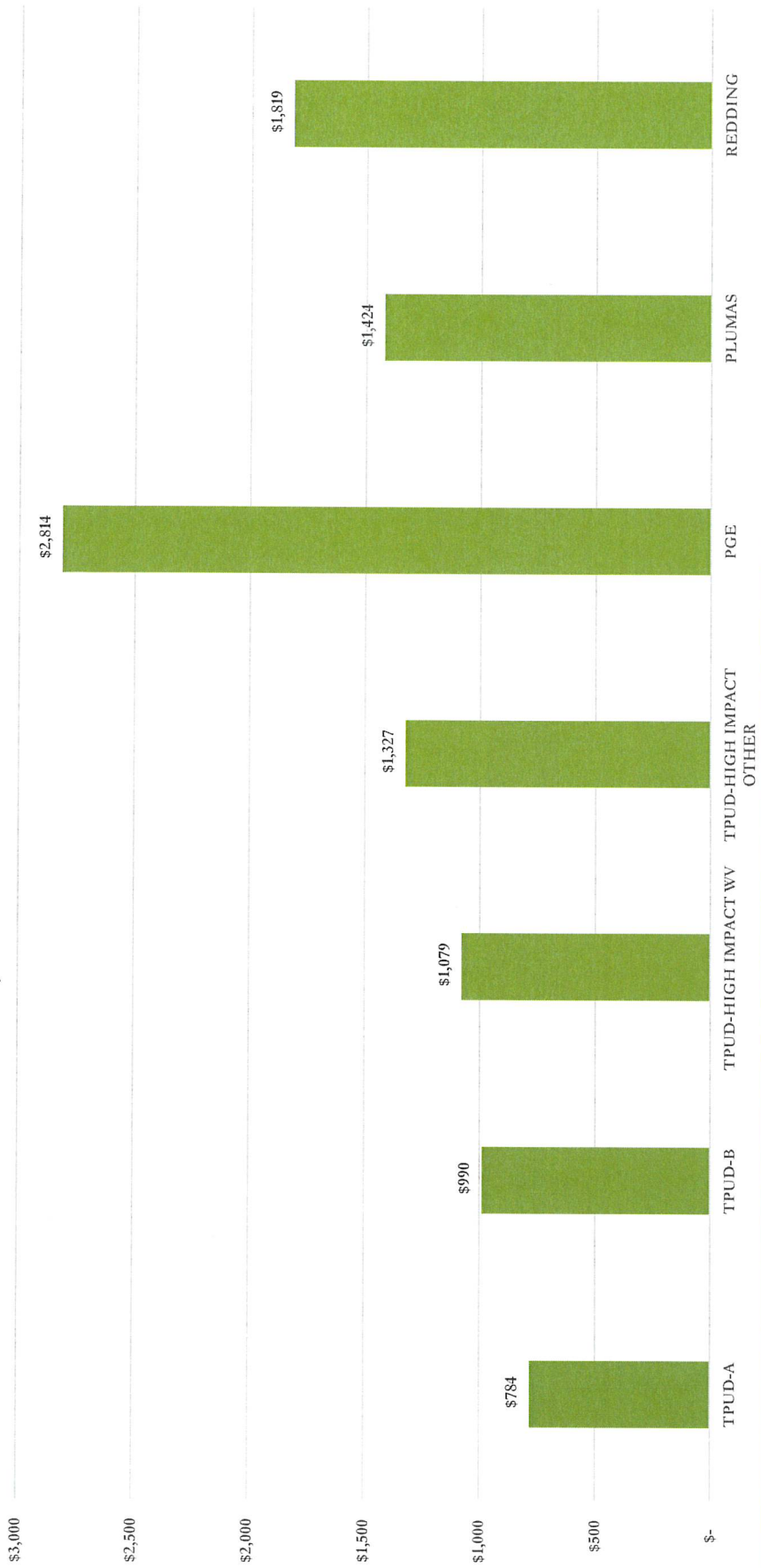
# Hayfork Geographic Zone A



### Residential Bill Comparison 1,000 kWh



### Commercial Bill Comparison 10,000 kWh



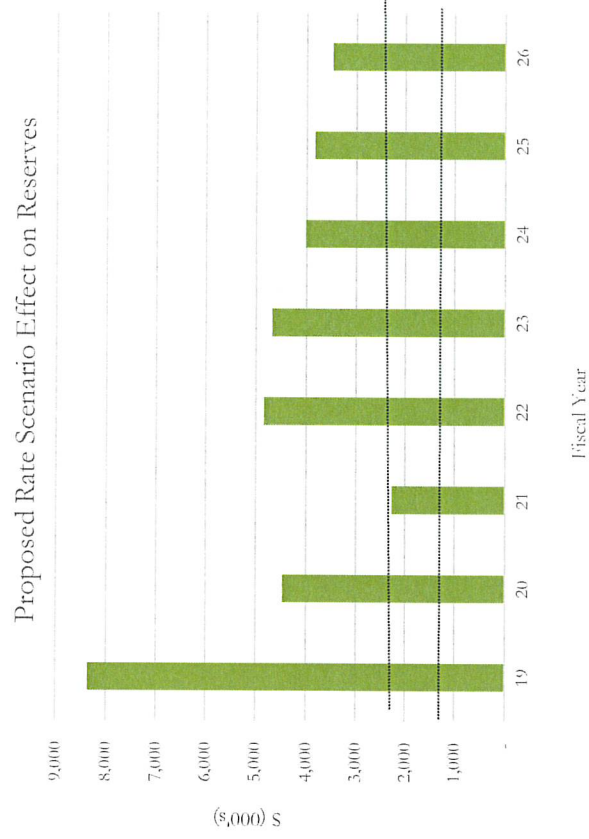
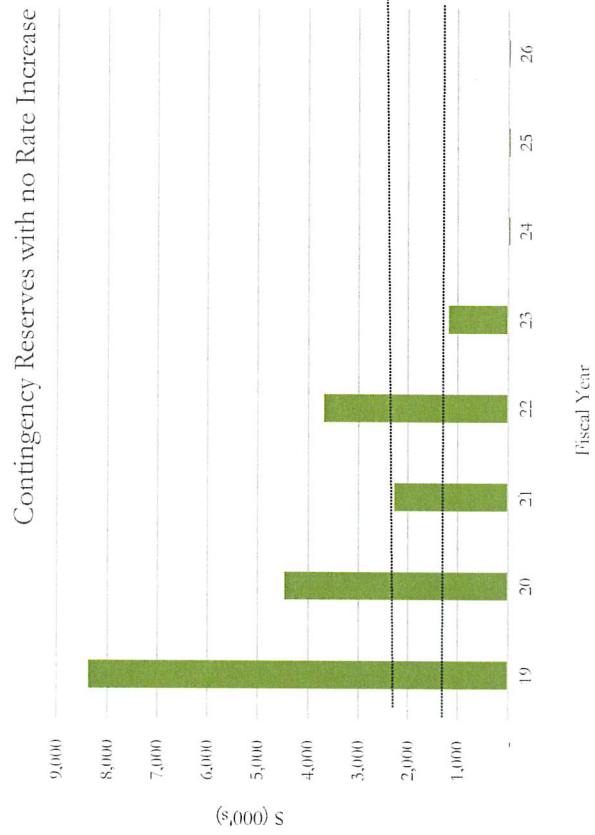
# Proposed Change in Rates

Current Rates		Restructured Rates																							
METHOD 1 - RATES		METHOD 1 - RATES																							
		INPUT:	FLAT	CHARGE	BASE RATE	DROUGHT	CALIFORNIA	PUBLIC	ON FLAT	CHARGE	BASE RATE	DROUGHT	CALIFORNIA	PUBLIC	ON FLAT	CHARGE	BASE RATE	DROUGHT	CALIFORNIA	PUBLIC	ON FLAT	CHARGE	FINAL BILL	INCREASE	%
		KWH USED	CHARGE			RELIEF	ENERGY TAX	BENEFITS	CHARGE			RELIEF	ENERGY TAX	BENEFITS	CHARGE			RELIEF	ENERGY TAX	BENEFITS	CHARGE	FINAL BILL	INCREASE	%	
Residential - Weaverville		1000	\$ 24.00	\$ 0.68	\$0.05545	\$0.01300	0.00030	\$0.0020			\$0.06422	\$0.01300	0.00030	\$0.0023			\$0.06422	\$0.01300	0.00030	\$0.0023		\$118.90	\$23.47	25%	
Residential - Other		1000	\$ 24.00	\$ 0.68	\$0.07822	\$0.01300	0.00030	\$0.0026			\$0.06422	\$0.01300	0.00030	\$0.0023			\$0.06422	\$0.01300	0.00030	\$0.0023		\$118.90	\$0.10	0%	
Commercial - Weaverville		3500	\$ 36.00	\$ 1.03	\$0.07258	\$0.01300	0.00030	\$0.0025			\$0.08259	\$0.01300	0.00030	\$0.0028			\$0.08259	\$0.01300	0.00030	\$0.0028		\$404.04	\$57.68	17%	
Commercial - Other		3500	\$ 36.00	\$ 1.03	\$0.09261	\$0.01300	0.00030	\$0.0031			\$0.08259	\$0.01300	0.00030	\$0.0028			\$0.08259	\$0.01300	0.00030	\$0.0028		\$404.04	-\$14.53	-3%	
High Impact Load - WW		10000	\$ 45.00	\$ 1.28	\$0.08710	\$0.01300	0.00030	\$0.0029			\$0.14600	\$0.01300	0.00030	\$0.0046			\$0.14600	\$0.01300	0.00030	\$0.0046		\$1762.42	\$683.14	63%	
High Impact Load - Other		10000	\$ 45.00	\$ 1.28	\$0.11113	\$0.01300	0.00030	\$0.0036			\$0.14600	\$0.01300	0.00030	\$0.0046			\$0.14600	\$0.01300	0.00030	\$0.0046		\$1762.42	\$465.84	33%	

# Residential Bill Changes

	Zone A		Zone B	
	CURRENT BILL YEAR 4		CURRENT BILL YEAR 4	
	Weaverville	Weaverville	Other	Other
kWh USAGE				
500	\$ 53.36	\$ 72.29	\$ 65.09	\$ 72.29
1000	\$ 82.03	\$ 105.50	\$ 105.50	\$ 105.50
1500	\$ 110.71	\$ 138.71	\$ 145.91	\$ 138.71

# Contingency Reserves Comparison



Questions?



1/13/22  
ga

## Wildfire Mitigation Efforts 2021 - Report to Date (12/31/2021)

### Annual Pole Inspection Data

Patrol Inspection - all poles 1x every 2 years (target is 6,000/year)

Intrusive Inspection - due at 15 years, then 20 year interval if passes (target 1,000/year)

Date	1/1/2021 - 12/31/2021
Inspections Completed	4,228
Intrusives Completed	972
Poles Reported Damaged	192
Work Orders Completed	183

	October	November	December
Trims	620	335	247
Removal Class 1	316	488	437
Removal Class 2	167	112	70
Brush Cut	3	42	14
T&M Hours removals	189	155	44

<b>ROW Brushing and Chipping</b>	Total Crew Hours 138
Silvertop Tree Service	
Hyampom 60KV ROW	

\*Thank you Silvertop Tree Service for all your help during the major winter storms

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Out	Time Off	Time On	Sub	Map Location	Feeder #	Out	Duration	Cause Desc	Equip Desc	Crew
210715	12/7/2021 23:12	12/8/2021 1:15	Mill Street	F3549	W03	92	2:03	Material or Equipment Fault/	Jumper	(JoeP)
210772	12/12/2021 7:24	12/12/2021 10:37	Lewiston	F7431	L01	42	3:13	Snow/Ice	Fuse	
210811	12/12/2021 21:37	12/12/2021 23:55	WAPA Trinity	R13553 - Trinity Cel	T21	205	2:18	Snow/Ice	Fuse	(JoeP)
210817	12/12/2021 23:19	12/13/2021 2:50	Big Bar	F11192	BB1	37	3:31	Tree	No Equipment Failure	(JoeP)
210912	12/14/2021 6:07	12/14/2021 18:57	Hyampom	Hyampom	99	194	12:49	PG&E Outage	No Equipment Failure	
210913	12/14/2021 6:11	12/14/2021 14:25	Forest Glen	Hwy 36	99	16	8:14	PG&E Outage	Maintenance	
210914	12/14/2021 6:20	12/14/2021 18:02	Big Bar	HWY 299	99	116	11:42	PG&E Outage	No Equipment Failure	
210920	12/14/2021 8:44	12/14/2021 18:57	Grouse Creek	Grouse Creek	99	7	10:13	PG&E Outage	No Equipment Failure	
211016	12/15/2021 14:18	12/15/2021 18:27	Douglas City	R6862 - Readings C	DC1	217	4:08	Snow/Ice	Unknown Equipment Failure	
211245	12/15/2021 17:25	12/16/2021 2:18	Mill Street	R11023 - Sky Ranch	W02	387	8:52	Snow/Ice	OH Conductor	
211211	12/15/2021 18:22	12/15/2021 23:06	Mill Street	F9632	W06	544	4:43	Snow/Ice	OH Conductor	
211853	12/15/2021 14:05	12/15/2021 16:19	WAPA Trinity	Lewiston	T21	48	2:13	Snow/Ice	OH Conductor	
211016	12/15/2021 14:18	12/15/2021 18:27	Douglas City	Readings Creek	DC1	480	4:08	Snow/Ice	Unknown Equipment Failure	
211060	12/15/2021 15:39	12/16/2021 21:00	Hayfork	Hayfork	HF1	572	2:03	Snow/Ice	OH Conductor	
211237	12/15/2021 15:50	12/16/2021 3:35	Lewiston	R3722 - Coffin Road	L01	334	11:45	Snow/Ice	OH Conductor	
211389	12/16/2021 15:40	12/16/2021 18:04	Lewiston	Goose Ranch Rd	L01	28	2:23	Snow/Ice	OH Conductor	
211161	12/15/2021 18:09	12/15/2021 19:17	Mill Street	F9601	W06	415	1:07	Snow/Ice	Unknown Equipment Failure	
	12/26/2021 21:45	12/27/2021 6:00	WAPA Transmiss	All PUD Customers		7343	8:15	Snow/Ice	Pulled Anchor	
211974	12/27/2021 6:42	12/27/2021 10:19	Douglas City	Readings Creek	DC1	158	3:37	Snow/Ice	Generation or transmission, other	
212015	12/31/2021 14:17	1/1/2022 3:21	Hyampom	Garrett Rd	HY1	7	13:04	Snow/Ice	Circuit breaker	
212259	1/3/2022 18:24	1/3/2022 21:39	Hyampom	Hyampom Rd	HY1	10	3:15	Snow/Ice	OH Conductor	

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