

**Trinity Public Utilities District**  
**MINUTES OF THE REGULAR MEETING OF THE BOARD**  
**MAY 9, 2024**

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

Board Present: Amanda Barragar, Alex Cousins, Nicholas Goulette, Andrew Johnson,  
Michael Rourke

Board Absent: None

Others Present: Paul Hauser, Jim Underwood, Mike Garcia, Julie Catanese, Sarah  
Sheetz, David DeLange, James Aven, Jill Cox and Josh Cozine

**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 Goulette seconded the motion. The motion passed with the following voice vote:

Ayes: Amanda Barragar, Alex Cousins, Nick Goulette, Andrew  
Johnson, Mike Rourke

Noes: None

Absent: None

Abstain: None

**3. Public Input**

None

**4. Consent Calendar**

Director Barragar made a motion to approve the Consent Calendar. President Rourke requested that Item 4h be moved to Closed Session. Director Barragar amended her motion to approve the Consent Calendar excepting Item 4h, Validate Payment of Claim, Heidi Garcia. Director Cousins seconded the motion. The Consent Calendar included:

- a. Approve Minutes of the Special Meeting April 12, 2024
- b. Accept Minutes of the Safety Meeting April 23, 2024
- c. Validate Bills of April, 2024
- d. Approve Financial Reports for March, 2024
- e. Approve Electric Service Contract in the amount of \$52,842,41 for 241  
Drinkwater Gulch in Hayfork
- f. Validate Denial of Claim, Lynn McClellan
- g. Validate Denial of Claim, Ron Klyberg
- h. ~~Validate Payment of Claim, Heidi Garcia~~

The motion passed with the following voice vote:

Ayes: Amanda Barragar, Alex Cousins, Nick Goulette, Andrew  
Johnson, Mike Rourke

Noes: None

Absent: None

Abstain: None

**5. Action Items**

- a. Items Pulled from Consent Calendar  
None

b. Approve Amendment to the District's Renewable Portfolio Policy

Mr. Hauser reviewed the report with the Board noting that the District maintains compliance with the State's renewable energy procurement requirements through legislative action in Senate Bill 100, by purchasing all of its electricity pursuant to a preference right provided for by the Trinity River Division Act of August 12, 1955. Following a brief discussion, Director Goulette made a motion to approve the amendment to the District's Renewable Portfolio Policy. Director Cousins seconded the motion. The motion passed with the following voice vote:

Ayes:	Amanda Barragar, Alex Cousins, Nick Goulette, Andrew Johnson, Mike Rourke
Noes:	None
Absent:	None
Abstain:	None

c. Fiscal Year 24/25 Budget Assumptions and District Goals

Mr. Hauser summarized the Budget highlights with the Board as follows:

Retail Power Sales and Wholesale Power Charge are separate line items.

The District continues to pay a true-up from FY 2022, advising that the Western Area Power Administration (WAPA) calculates the District's power costs by estimating generation, and the bill is trued up with either additional payments or credits in a future fiscal year.

The First Preference Percentage has dropped, but District customers are not seeing the benefit of that yet, and although the last water season was good, reservoirs were so low from the preceding three years of drought that generation was not as good as expected. The latest data from the Bureau of Reclamation (BOR) indicates that Central Valley Project (CVP) reservoirs are at an average of 115-125 percent of normal for this time of year. Director Goulette inquired if the true-up is predictable. Mr. Hauser advised there are so many factors that impact generation that it is almost impossible to predict. Director Barragar requested additional explanation about WAPA's estimation. Mr. Hauser advised that the Power Revenue Requirement (PRR) consists of expenses from WAPA and the BOR, and includes the full cost of operating the generation facilities at the CVP reservoirs and the cost of transmission to deliver the power. The agencies then forecast how much generation there will be based on the reservoir levels and snow pack. The effective rate per kWh is calculated by dividing the annual PRR by the estimated annual generation. For FY 24/25 the District's First Preference Percentage is 4.17 percent, we pay 4.17 percent of the PRR, plus any true ups from previous years.

Growth – the Budget projects zero percent load growth.

Goals – The District has made great strides on Goal #1, Rate parity and stability – more closely align District rates with District costs, with increases to the Monthly Service Charge and implementation of the Wholesale Power Charge. The District

has achieved the second part of Goal #1, Reduce the rate differential between different parts of the District's service area. The most recent rate restructuring eliminated the Zone A and B rate differential across all rate classes.

Total Reserves – The Budget Forecast indicates that the District is now starting to slowly build reserves.

Director Johnson inquired about the overall four percent decrease in usage. Mr. Hauser advised that it is in residential usage, and that there is not a clear explanation for it.

Director Johnson inquired about the progress on the System Improvement Plan. Mr. Hauser advised that the focus has really been on reducing the backlog of pole change outs that resulted from system inspections. Crews have changed out 109 poles so far in 2024, which puts us on target for 327 this year. Mr. Garcia stated that some critical reconductoring and load balancing has also been completed in the Junction City and Hayfork areas.

President Rourke encouraged the Board to reach out to Ms. Catanese or Mr. Hauser with any questions.

Capital Expenses - Director Johnson noted that a new bucket truck is the only large capital expense anticipated in FY 24/25. Mr. Garcia advised that the District is currently leasing that vehicle due to lead times for a purchase being five years. The District can lease the vehicle, with half of the monthly payment being credited towards the purchase of the vehicle. Mr. Hauser advised that a purchase agreement would be brought back to the Board at a future meeting.

Director Goulette noted that the FY 24/25 Budget assumes the District will receive a one time public assistance grant from Cal OES. Ms. Catanese confirmed.

## 6. Reports:

### a. Wildfire Mitigation Plan (WMP) Reporting Metrics Update – April 2024

Mr. DeLange advised the District would likely be in fire season by the June meeting. He reviewed the April WMP report, advising that inspections identify less damage. Pole clearing will begin 5/20/2024, with two separate vegetation management crews. The District continues to remove many hazard trees, which is reflected in reduced outages.

### b. General Managers Reports:

#### i. Land Exchange

Mr. Hauser advised that he believes that the land exchange will be complete in four months.

#### ii. Right-of-Way Project Update

Mr. Hauser advised that the agencies are in receipt of the environmental document and committed to a 30-day timeline for final review. A report for public review is expected in July, and a final document is expected in January 2025.

The duration of agency review and the volume of unique comments could potentially impact the schedule.

iii. Balancing Authority of Northern California (BANC)

Mr. Hauser advised that there is not a lot to report. WAPA is doing its own analysis of the Energy Day Ahead Market (EDAM).

iv. Power Outage Summary – April 2024

Mr. Hauser advised there were very few outages in the month of April, one of the benefits of much more aggressive vegetation management. A PG&E maintenance outage is scheduled for Junction City on Saturday, May 11, 2024 and for Big Bar the night of May 14<sup>th</sup> to the morning of May 15<sup>th</sup>.

v. Re-initiation of Consultation on the Long-Term Operation (ROC on LTO) of the Central Valley Project

Mr. Hauser stated that eight alternatives have been formalized, including a no-action alternative. He advised that there are some alternatives being analyzed that would increase flows to the Trinity River and would reduce the District's allocation. A Department of Energy laboratory is going to analyze the modeling and the effect on carbon production due to the loss of hydropower. The schedule has been updated to project a National Environmental Policy Act (NEPA) decision in late 2025. Mr. Hauser advised that he would forward the document discussing the alternatives to the Board.

vi. Letter to the U.S. Department of the Interior regarding Conflict of Interest Complaint

Mr. Hauser advised that he wanted to put this item on the agenda for the Board's consideration, stating that some CVP power customers do not think the restoration program has been operated the way it should and are considering letters to the Department of the Interior (DOI) as well. Mr. Hauser advised that the effect of restoration program activities have a bigger proportional effect on the District because we are 100 percent hydropower, he inquired if the Board had any interest in joining other power customers with a letter to the DOI.

The Board inquired what the letter would entail. Mr. Hauser stated that he was unsure if there was broad awareness of the cost impact of restoration program activities to District customers in terms of electric rates.

Director Johnson asked how much the District pays for restoration funds now. Mr. Hauser responded that the District doesn't pay directly to the restoration fund, but our cost of power is based off of generation, advising that the direct payments by other power customers may be smaller than the cost of foregone power generation.

President Rourke inquired about the potential redesign of generation facilities if diversions were to decrease. Mr. Hauser advised that could be the case, as the system was designed for much higher diversions to the Sacramento River basin. Director Barragar advised she would like to understand more about those who wrote the letter. Director Cousins stated that he would want to be sure the District consulted with the County before sending any correspondence.

President Rourke suggested a topic on the Agenda with some bullet points to educate the Board on this item.

vii. Grant Update

Ms. Sheetz advised that the District recently submitted an application for a Community Facilities Grant to fund the purchase of fault tamers, which would expedite the installation of the remaining 572 locations in the District's service territory.

viii. California Energy Commission (CEC) Rooftop Solar Exemption

Mr. Hauser advised that legislation creating a permanent exemption to the Rooftop Solar mandate for Trinity County is progressing. The requirement to add rooftop solar significantly increases the cost of construction for new homes, but with the District's low rates customers do not recoup the cost of installation. Mr. Hauser stated that the District's lobbyists at Edelstein Gilbert have been assisting on this topic for several years, and that Senator Wood has been instrumental in moving it forward, noting that there are many other things in the building code that don't make sense in Trinity County.

ix. United States Forest Service Special Use Permit Language

District Staff has had several meetings with United States Forest Service Energy Program Manager Reggie Woodruff regarding the imposition of strict liability in the new permit language, as well as the requirement to maintain wildfire liability insurance. Mr. Woodruff has provided some possibilities of language changes, including a lower strict liability limit and a possibility that the District could self-insure for the wildfire liability.

There continue to be extensive ongoing discussions, and the Department of Energy is organizing a large meeting with many stakeholders that the District will be involved in.

The District recently had a two-day visit from Federated Insurance to obtain a second quote for Property and Workers Compensation Insurance. A quote is expected near the end of May.

c. Committee Reports

- Ad-hoc Forestry Committee  
None

d. Board Member Reports

Director Cousins advised he would be providing an update on California issues at the Northwest Public Power Association Annual Conference in Utah and welcomed suggestions from the Board

Director Goulette thanked Staff for support with the Northwest Forestry Plan Federal Advisory Committee's recent gathering in Trinity County. Mr. Hauser thanked Director Goulette for involving the District in the tour, noting that the right of way topic is best understood when it can be seen in person.

**7. Discussion Items**

None

**8. Communications Received**

None

**9. Meetings and/or Workshops**

- a. Northwest Public Power Association – Annual Conference  
Salt Lake City, UT  
May 12-15, 2024  
*Director Cousins and Ms. Sheetz plan to attend.*
- b. Golden State Power Cooperative – Annual Conference  
Sacramento, CA  
September 23, 2024
- c. National Rural Electric Cooperative Association – Region 7/9 Meeting  
Sacramento, CA  
September 24-26, 2024
- d. Northern California Power Agency Annual Conference  
Napa, CA  
September 24-27, 2024

Mr. Hauser requested that Board Members advise Ms. Sheetz if they would like to attend.

Mr. Underwood advised that because there is no scheduled Closed Session, the Board would either need to determine by 4/5<sup>th</sup>'s vote to determine urgency, or the item would need to be addressed at a future meeting. The Board determined it would prefer to address the item at the June meeting.

**10. Adjournment**

There being no further business, President Rourke adjourned the meeting at 3:11 p.m.

/s/ Michael Rourke  
Michael Rourke, President

ATTEST: /s/ Andrew Johnson  
Andrew Johnson, Clerk