



# Public Utility District No. 1 of Klickitat County

80 Years of Service \* 1938-2018

## GENERAL MANAGER'S REPORT TO THE BOARD For the April 14, 2020 Meeting

### AGENDA ITEMS:

- A. NOAA Fire Season Outlook Presentation - I will be showing a 10-minute video produced by NOAA, via WebEx at the Commission meeting. The video reviews the current outlook for the upcoming fire season. It is very early for predictions as NOAA states in the video, but it is informative on how they determine their forecasts and that is helpful to us in interpreting their recommendations. Appropriate KPUD staff will also be watching it. We will also discuss with you what we are doing in preparation for fire season.

<https://www.youtube.com/watch?v=11f5oTOFfdk&feature=youtu.be>

### NON-AGENDA ITEMS:

1. **Customer Service Update** - our current status in response to the COVID-19 pandemic.

KPUD is currently waiving late fees and penalties through April and we will re-evaluate this practice monthly to ensure consistency with the Governor's proclamation and provide relief for our customers. Similarly we are continuing suspension of disconnects for non-payment (DNP) for impacted customers. We do not intend to pursue any customers for disconnect for non-payment this month, but we will continue to pursue collections for those not impacted. We are offering short-term payment arrangements and we plan to offer longer-term payment arrangements once the full impact is identified. We have set up coding to identify customers who are impacted. Operation Warm Heart is still active and we are sending customers to Washington Gorge Action Programs (WGAP) as funding is still available.

Since the closure of the physical offices to the public, Customer Service has seen an increase in autopay enrollment of more than 50, an increase in paperless billing of 582 and an increase in SmartHub enrollment of 700. Those numbers are huge. The number of calls has dropped slightly and cash payments have decreased significantly. In the offices, we have transitioned to 4-10's to support social distancing and still maintain coverage. On Friday's, Customer Service will not be physically present in White Salmon. There should be no customer impact with this change and Engineering will still be present in

the office according to their coverage schedules. In the field, meter readers are not reading individual residential meters within White Salmon and Goldendale. Additionally they are skipping meters if a location cannot be safely entered or exited and distancing is being observed. These meters will be estimated and read when the stay at home order is lifted. This is to protect both our customers and meter readers.

Customer communications regarding COVID-19 are being included in inserts with bills and on Facebook. We are also partnering with Klickitat County Emergency Response to communicate social distancing PSA's for COVID-19 via bill inserts and Facebook.

We are working with Klickitat County as well as internally to identify additional customer support options. We will continue to provide details to you as they evolve.

What we know so far:

#### Small Business

\$5M in funding is being allocated to small business assistance from the Governor. The source of the funding is the unclaimed lotto fund. Those that qualify are small (micro) businesses that have between 1-10 employees. It is estimated that about \$80,000 will go to Klickitat County businesses. Applications are being submitted to Klickitat County Economic Development and so far they have received about 35 applications. They will filter and qualify them based on priority before sending to the State. There will likely be more applicants, but the County will narrow down the applicants.

We think this would be a great starting point for reaching customers that need assistance if we develop a program. The County will keep a list and if/when appropriate, work with us to release or reach out to applicants.

#### Residential

An additional \$12M in funding is anticipated for Low Income Home Energy Assistance (LIHEAP) programs per George Caan at WPUDA Wednesday afternoon. The details relating to this are still being worked out. This could provide about \$500 more to each qualified customer previously approved. We do not believe this would greatly increase the number of people that benefit, **unless LIHEAP changes their income qualifying thresholds.**

- 2. Republic Services Landfill Collection System Expansion Project** - Kevin and his staff have completed plans & specs for a PUD-funded wellfield expansion project and they have engaged two contractors suitable to Republic Services. This work is at KPUD's cost and is covered in our Landfill Gas Optimization Agreement with Republic. Staff expects to improve gas collection by 200-400 SCFM and hopes to have the project online by the end of May, depending on availability of materials. This will be administered as a Small

Works Roster project.

3. **Renewable Natural Gas Fixed Price Contract** - we have signed the contracts with the RNG purchaser and we have been working with British Petroleum on the approvals to the contract amendments required. We have reached agreement on the Transaction Confirmation changes and are waiting on their formal approval.
4. **WPUDA Legislation Update** - as you may have heard, Governor Inslee has vetoed many bills with a fiscal impact on the state in light of the COVID-19 event and the mounting costs the State is incurring. He has also exercised his authority to remove line items from the budget. This included the WPUDA priority bill, House Bill 2505, which would have supported low-income assistance programs and weatherization by putting in place a Business and Occupation Tax exemption on the credits PUDs receive back from BPA for achieved conservation. I would expect more indirect impacts as the costs increase.
5. **Water/Wastewater Rate hearing** - I am in the process of reviewing our water and wastewater rates that were developed as part of our 2020 budget process. I expect to bring you water and wastewater system rate proposals at the next meeting if I have not completed that review by the time we meet on Tuesday. The normal rate hearing is the end of May.  
  
We are also reviewing connection fees and the General Facilities Charges. These items are not considered rates, so a formal public hearing is not required, but we want to communicate any changes to the various communities in our letters that will go out in May. We expect to bring you a proposal at the April 28<sup>th</sup> Commission meeting.
6. **Employee Appreciation (former Safety Awards) Banquet** - this event, usually held at the Goldendale Golf Club, has been moved to June 13 from the normal May date. We will re-evaluate as the COVID-19 situation takes its course.
7. **Customer Construction Update** - I am attaching a summary from L&I regarding the types of inspections they are still doing. We are planning to support this work by completing service connections, provided we can do that with the social distancing guidelines we are working within.