

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE COLUMBIA BASIN HYDROPOWER
EPHRATA, WASHINGTON MAY 22, 2018

President Alford called the regular meeting of the Columbia Basin Hydropower to order at 9:30 AM.

CBHP Directors

SCBID – Bryan Alford
SCBID – Richard Conrad
QCBID – Mike LaPlant
ECBID – Duaine Anderson (Alt)
ECBID – Bernard Erickson (Alt)

Other CBHP Directors Attending

SCBID – J.J. Danz (Alt)

Others Attending

Dave Solem, SCBID
Darvin Fales, QCBID
Craig Simpson, ECBID
Stefanie Johnson, SCL
Doug Pickle, USBR

Staff

Tim Culbertson, Secretary-Manager
Richard Lemargie, Attorney
Jacob Taylor, Treasurer
Judy Runge, Administrative Assistant
Betty Craig, Technical Information Administrator
Larry Thomas, Assistant Manager/Hydro Supervisor
Robert Stoaks, Engineer
Derek Wolf, Engineer
Stacey Bresee, Data Management Technician

CONSIDERATION OF MEETING MINUTES

Mike LaPlant moved that the minutes of the April 23, 2018 meeting be approved as distributed. Richard Conrad seconded the motion. Motion passed.

ACKNOWLEDGEMENT, REVIEW AND/OR APPROPRIATE CONSIDERATION OF THE FOLLOWING:

Power Production Reports April 2018

Accumulated Kilowatt Hours and Energy and Incentive reports were distributed in Board packets. Total March generation was 91.67% of 2013-2017 of that average.

Travel Authorization:

Mike LaPlant moved to authorize attendance and payment of reasonable expenses for travel, lodging and meals for the following:

PEBB Basic Eligibility and Benefits Training, Wenatchee, WA, June 14, 2018,
Registration, none - Diane Smith

Duaine Anderson seconded the motion. Motion passed.

Task Order No. 2, Change Order No. 1, Contract 12356-13-17

The purpose of H2E Task Order No. 2, Change Order No. 1 for engineering services is to extend the time of completion to July 31, 2018 with no increase in Contract Price.

Richard Conrad moved to approve H2E Task Order No. 2, Change Order No. 1, Contract 12356-13-17. Mike LaPlant seconded the motion. Motion passed.

TREASURER'S REPORT

Financial Reports

The April 30, 2018 Balance Sheet (unaudited) and All Power Plants Income Statement (unaudited) were included in the Board packets for review.

Approval of Voucher

The Current Expense Voucher (O&M) was presented at the meeting for consideration. Check numbering is as follows:

Current Expense Voucher (O&M) - \$1,124,233.69
Check Numbers: 17048-17154

On motion by Mike LaPlant, seconded by Richard Conrad, which motion passed unanimously, the Current Expense Voucher (O&M) dated May 22, 2018 in the amount of \$1,124,233.69 was approved.

STAFF AND OTHER REPORTS

The following written activity reports, attached and incorporated by reference, were made available for review and comments:

Field O&M Activities (Larry Thomas)
Engineering (Bob Stoaks)
Engineering (Derek Wolf)
Technical Information (Betty Craig)

OTHER POWER BUSINESS

Project Development

Manager Culbertson reported on his recent trip with Quincy Board member John Rylaarsdam and South Board member J.J. Danz. The trip was to visit with FERC, BOR and NW delegation members regarding the Banks Lake Pumped Storage Project. Overall the meetings went well.

Project Development Expense Report for the month of April 2018 was presented to the Board for review.

Columbia River Treaty

Manager Culbertson reported on the latest Power Group meeting and the Lake Roosevelt Forum Conference held in Spokane.

USBR - Doug Pickle, USBR, updated the irrigation districts on the Keys Pumping Plant recent activities.

Cities - No report

Districts - No report

DATE OF NEXT BOARD MEETING

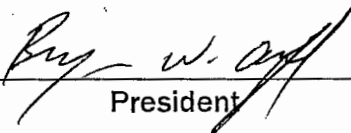
President Alford announced that the next meeting of the Board of Directors will be June 26, 2018.

EXECUTIVE SESSION


At 10:55 AM President Alford called for a 60-minute executive session to discuss potential litigation with GPUD and personnel performance.

RECONVENE AND ADJOURNMENT

President Alford reconvened the meeting and being no further business to come before the Board, the meeting was adjourned by President Alford at 11:55 AM.



President



Secretary

COLUMBIA BASIN HYDROPOWER
Activity Report

For period April 14, 2018 to May 11, 2018
Reported by: Larry Thomas Function: Field O&M Activities

Russell D. Smith Power Plant

- . April 25, the plant was taken offline due to communication system failures. The plant was restarted April 26 at 1057 hours.
- . April 28, the plant tripped offline at 0412 hours due to transmission line trouble. The plant was restarted at 1333 hours.
- . Generation ranged from 1.0 MW to 4.7 MW.

P.E.C. 66.0 Power Plant

- . April 24, the plant was restarted at 1501 hours following repairs to the communication system failures.
- . Output ranged from 0.7 MW to 1.9 MW.

E.B.C. 4.6 Power Plant

- . April 24, the plant was restarted at approximately 1100 hours following repairs to the communication system.
- . Output ranged from 1.5 MW to 2.1 MW.

Main Canal Power Plant

- . No outages or abnormal conditions.
- . Output ranged from 15 MW to 23 MW.

Summer Falls Power Plant

- . May 3, unit 162 was shutdown at 0825 hours due to a water leak in the turbine pit. The unit was restarted May 4 at 1237 hours following repair of a leaking water pipe.
- . Output ranged from 48 MW to 87 MW.

Columbia Basin Hydropower

Activity Report

For Period: April 15, 2018 through May 14, 2018

Reported by: Robert Stoaks P.E. Function: Engineering

- 1) Travel: SEL training, Billings, MT, April 16-April 21. Generation System Protection.
- 2) Performing study to increase efficiency and output of Main Canal and Summer Falls. Gathering information from vendors on efficiency upgrades and costs.
- 3) EBC 4.6 transformer tested for high gasses (Methane, Ethane, and Ethylene) which indicates an internal hot spot possibly from a loose connection or overheating of tap changer. Quotation for tap changer work was \$25,000. New replacement transformer quote was \$75,000. Decision to repair tap changer in-house by cleaning connections, drying oil, testing oil using Karl Fisher, and dielectric tests for moisture. Re-energize transformer, testing oil for fault gases. Pulled oil sample for analysis after the unit was started.
- 4) SCADA/PLC/Relay replacement for all plants: H2E has submitted relay and control drawings for approval.
- 5) Reviewing loadability requirements of PRC-025 to implement at Main Canal and Summer Falls.
- 6) Researching how to heat the governor hydraulic oil to lower the viscosity to less than 54cSt. Contacted experts and vendors.
- 7) Design of wireless controller for bridge crane in Main Canal shop.
- 8) Reviewing maintenance practices and making recommendations for improvement.

Columbia Basin Hydropower

Activities Report for the period of Apr 16th, 2018, through May 11th, 2018.

Derek Wolf, PE Mechanical Engineer

General:

- Implementing insurance recommendations at all plants.
- Ongoing prep work for discussions with GCPUD on the QC penstock recoating project.
- Research and selection of a crane-suspended manbasket for upcoming maintenance work.
- North plant operator hiring process underway.

Main Canal Power Plant:

- Continuing coordination with USBR for the new steel storage building. Receiving quotes for a Class III Cultural Resource Survey at the site.
- Fish barrier nets installed.

Summer Falls Power Plant:

- Repair of vacuum breaker leak in U162 turbine pit.
- Investigation into U162 turbine oil catch basin return pump low flow rate.
- Sump pump #1 rebuilt. Suction piping replaced.

Russell D. Smith Power Plant:

- Troubleshooting for recurring governor issues.

PEC 66.0 Power Plant:

- Repairs made to intake trash rake.

COLUMBIA BASIN HYDROPOWER

Activity Report

For Period: April 15 through May 12, 2018Reported by: Betty Craig Function: Technical Information Dept.CMMS:

- CASCADE data entry is up to date.
- Project to add all PRC-005 related equipment to CASCADE is nearing completion. Awaiting final review with Electrical Engineer.

NERC/WECC COMPLIANCE:

- Reviewed NERC & WECC websites for any upcoming deadlines or revisions to existing standards.
- Approved response to new NERC Alert.
- Began compiling data for Inherent Risk Assessment (IRA) to be completed by WECC.
- CBHP NERC evidence and procedures are being reviewed due to personnel changes.

NETWORKING & COMPUTERS:

- Routine security, maintenance, and verification of nightly backups.
- Assisted users with miscellaneous hardware and software issues.
- Update and setup of J5 logbook software. Beta testing to begin during May.

HYDRO PROJECT DEVELOPMENT:

- Assisted with completion of BPA Interconnection Study Agreement and digital signature for P-14329.

OTHER:

- Scanned and created .pdf files for CBHP staff.
- Website updates.
- Betty attended NWPPA Leadership Skills #4 in Bend, OR.
- Stacey attended NWPPA Administrative Professionals Workshop in Tacoma, WA.