

**PUBLIC UTILITY DISTRICT No. 1
of Whatcom County**

Agenda for the Regular Meeting of May 13, 2025
8:15 a.m. at the PUD Office
(Zoom, & Teleconference)

1. Call to Order | Pledge of Allegiance
2. Approval of Agenda (2 minutes)
3. Consent Agenda (5 minutes)
 - a) Approval of the Minutes of the Regular Meeting of April 22, 2025
 - b) Approval of Claims for May 13, 2025
4. Public Comment (10 minutes – Individual speakers: 3 minutes)
5. General Manager Report (20 minutes)
6. Operations Report (10 minutes)
7. Old Business (30 minutes)
 - a) Broadband Update
 - b) Adjudication Update
 - c) Geothermal Update
 - d) Strategic Plan Update
8. New Business (10 minutes)
 - a) Approve Interlocal Agreement with Mason County PUD 3 and the Transfer of \$378,000 in BPA EEI Budget Listed in Exhibit A to the Agreement
9. Commissioner Reports (10 minutes)
 - a) Upcoming Per Diem Requests
Commissioner Arnett: None as of publication
Commissioner Ury: None as of publication
Commissioner Deshmane: None as of publication
10. Public Comment (10 minutes– Individual speakers: 3 minutes)
11. Executive Session: Adjudication Discussion (60 minutes)
12. Adjourn (Estimated 11:00 AM)

Notice:

All Commissioners will participate either via Zoom/internet or teleconference.

The public meeting can be accessed;

By internet: <https://us02web.zoom.us/j/81082840867>

NOTE: IF ATTENDING VIA ZOOM WE WOULD APPRECIATE YOUR FULL NAME FOR THE COMMISSION RECORD THOUGH IT IS NOT REQUIRED

<p>Or telephone: Dial 1 (253) 215 8782 <u>or</u> 1 (253) 205 0468 Webinar ID: 810 8284 0867</p>

Next Commission Meetings

May 16, 2025 |1:00PM| Special Meeting,
May 23, 2025 |1:00 PM| Special Meeting,
May 27, 2025 |8:15 a.m.| Regular Meeting
Meetings to be held at the District Office
1705 Trigg Road, Ferndale, WA 98248
or other location announced

Contact: Chris Heimgartner, General Manager (360) 384-4288 x 119
info@pudwhatcom.org
www.pudwhatcom.org

**Public Utility District No. 1 of Whatcom County
Commission Meeting Attendance Sheet**

Date of Meeting: Tue, April 22, 2025 Platform: Hybrid In Person Zoom

Start Time: 8:15 AM Adjourn: _____

Adjourn to Executive Session _____ *if applicable*

In Attendance:

Initial Please:

- AD Atul Deshmane, Commissioner
- JA Jaime Arnett, Commissioner
- EU Eddy Ury, Commissioner
- X Jon Sitkin/Peter Ruffatto, Legal Counsel
- X Chris Heimgartner, General Manager
- X Aaron Peterson, IT/SCADA Technician
- X Andrew Entrikin, Director - Broadband and New Power Supply
- X Annette Smith, Finance Director
- X Devin Crabtree, Chief Water Operator
- X Garrett Love-Smith, Engineering Manager
- X Jacob Wittmer, Automation Technician
- X Jon Littlefield, Electric System Supervisor
- X Joe McKenna, Project Manager
- X Joseph Shay, Clerk of the Board / Records
- X Kurt Wank, Assistant General Manager
- X Lisa Moeller, Director - HR & Communications
- X Mike Macomber, IT/SCADA Technician
- X Paul Siegmund, Automation & Technology Manager
- X Rebecca Schlotterback, Contracts & Regulatory Compliance Manager
- SH Stephanie Hooper, Accountant I

Also in Attendance:

Name/Organization	Name/Organization
Todd Lugestee	Citizen
Dave Olson	Citizen
Nash Elbadawi	BP
Rick Maricle	Citizen
Tyler McDevitt	Citizen

Name (original name)	Join time	Leave time	Duration (1 Guest	Recording In waiting room
Mike M. Whatcom PUD - IT	4/22/2025 8:03	4/22/2025 10:32	150 No	OK No
Joseph Shay	4/22/2025 8:03	4/22/2025 10:32	149 No	No Respor No
Jon Sitkin	4/22/2025 8:03	4/22/2025 10:32	149 Yes	No Respor No
Nash Elbadawi	4/22/2025 8:03	4/22/2025 9:33	91 Yes	No Respor No
Michael	4/22/2025 8:04	4/22/2025 10:32	149 Yes	No Respor No
Whatcom PUD	4/22/2025 8:04	4/22/2025 8:04	1 No	No Respor No
Whatcom PUD	4/22/2025 8:04	4/22/2025 10:32	149 No	No Respor No
Nash El-Badawi	4/22/2025 8:04	4/22/2025 8:43	39 Yes	No Respor No
stephanieh	4/22/2025 8:06	4/22/2025 10:32	147 Yes	No Respor No
Kurt Wank	4/22/2025 8:09	4/22/2025 10:04	116 No	No Respor No
Annette Smith	4/22/2025 8:10	4/22/2025 8:11	2 No	No Respor No
Rebecca Schlotterback	4/22/2025 8:11	4/22/2025 10:32	141 No	No Respor No
Annette Smith	4/22/2025 8:11	4/22/2025 10:32	141 No	No Respor No
Paul Siegmund	4/22/2025 8:12	4/22/2025 10:32	140 No	OK No
Aaron Peterson	4/22/2025 8:13	4/22/2025 10:32	140 No	OK No
Tyler McDevitt	4/22/2025 8:18	4/22/2025 9:26	68 Yes	No Respor No
Rick Maricle	4/22/2025 8:24	4/22/2025 8:38	15 Yes	No Respor No
Dave Olson	4/22/2025 8:39	4/22/2025 10:32	114 Yes	No Respor No
Nash El-Badawi	4/22/2025 8:43	4/22/2025 9:33	51 Yes	No Respor No
Rick Maricle	4/22/2025 8:44	4/22/2025 9:10	26 Yes	No Respor No
garrettl	4/22/2025 10:12	4/22/2025 10:32	21 Yes	No Respor No
Andrew EntriKin	4/22/2025 10:28	4/22/2025 10:32	4 Yes	No Respor No

**MINUTES OF THE REGULAR
MEETING OF THE COMMISSION
April 22, 2025**

1. Call to Order | Pledge of Allegiance

The regular meeting of the Board of Commissioners of Public Utility District No. 1 of Whatcom County was called to order at 8:15 a.m. by Commissioner Atul Deshmane. Said meeting was open to the public and notice thereof had been given as required by law.

Those present at the meeting included:

COMMISSION AND STAFF

Atul Deshmane	Commissioner
Jaime Arnett	Commissioner
Eddy Ury	Commissioner
Chris Heimgartner	General Manager
Jon Sitkin	General Counsel, CSD Attorneys at Law
Aaron Peterson	IT/SCADA Technician
Andrew Entrikin	Director – Broadband and New Power Supply
Annette Smith	Director of Finance
Garrett Love-Smith	Engineering Manager
Joseph Shay	Clerk of the Board / Records
Kurt Wank	Assistant General Manager
Lisa Moeller	Director – HR & Communications
Mike Macomber	IT/SCADA Technician
Paul Siegmund	Automation & Technology Manager
Rebecca Schlotterback	Contracts and Regulatory Compliance Manager
Stephanie Hooper	Accountant I

VISITORS

Rick Maricle	Citizen
Dave Olson	Citizen
Tyler McDevitt	Citizen
Todd Lagestee	Citizen
Nash Elbadawi	BP

2. Approval of Agenda

ACTION:

Commissioner Arnett made a motion to approve the agenda. Commissioner Ury seconded the motion. The motion passed unanimously.

3. Approval of Consent Agenda

a) Approval of the Minutes of the Regular Meeting of April 8, 2025 & Approval of the Claims of April 22, 2025:

Commissioner Arnett made a motion to approve the consent agenda as a whole including both the minutes and the claims. Commissioner Ury seconded the motion. The motion passed unanimously.

Claims of April 8, 2025:

ASTOUND BUSINESS SOLUTIONS	1,667.55
BONNEVILLE POWER ADMINISTRATION	760,999.60
CENTRAL WELDING SUPPLY	105.53
CHMELIK SITKIN & DAVIS	11,372.32
COMCAST	322.09
COMCAST - NWRC	217.47
COMPRESSORS NORTHWEST (AIRWARE INC)	719.33
CRITICAL INSIGHT INC	168.39

DESHMANE, ATUL	433.64
EMERSON LLLP	3,039.38
EUROFINS ENVIRONMENT TESTING	96.00
FERNDALE ACE HARDWARE	31.59
FERNDALE AUTO PARTS	67.07
GOBLE SAMPSON ASSOCIATES INC	6,810.48
HARDWARE SALES, INC .	54.27
HDR ENGINEERING, INC.	36,411.08
INTERNAL REVENUE SERVICE	26,657.57
LITHTEX NW LLC	112.07
MASSMUTUAL RETIREMENT SVCS LLC	16,960.00
MOTION AND FLOW CONTROL PRODUCTS INC	1,020.68
NORTHWEST CASCADE, INC.	278.00
P&P EXCAVATING, LLC	3,856.96
PACIFIC SURVEY & ENGINEERING	1,053.75
PAYLOCITY	421.64
PAYROLL	279,972.02
PITNEY BOWES GLOBAL FINANCIAL SERVICES LLC	541.99
PLATT ELECTRIC SUPPLY CO	156.54
PRINCIPAL LIFE INSURANCE COMPANY	760.38
PROSCAPES	565.76
PUBLIC UTILITY RISK MANAGEMENT SERVICES	63,031.32
PUGET SOUND ENERGY, INC	1,800.49
STAR RENTALS	1,708.88
TOTH AND ASSOCIATES, INC	2,025.00
ULINE, INC.	294.81
UNIT PROCESS COMPANY	1,128.56
WA FEDERAL VISA CARD MEMBER SERVICES	9,797.77
WA ST DEPT OF REVENUE - EXCISE TAX	98,018.14
WA ST DEPT OF REVENUE - LEASEHOLD TAX	707.10
WESTERN CONFERENCE OF TEAMSTERS	10,262.00
GRAND TOTAL	\$ 1,343,647.22

4. Public Comment – None

5. General Manager’s Report – Chris Heimgartner, General Manager reported to the commission regarding his recent trip to the Northwest Public Power Association Engineering and Operations Conference. The general manager told the commission that the conference was about battery storage. The takeaways from the conference were the current high cost and difficult in recycling batteries once they have outlived their usefulness. It was noted however, that should a recycling industry form and be successful there will be value in the components of batteries that will can make them sustainable and profitable. Lastly, the general manager, informed the commission that the PUD’s contract with Bonneville was due on May 6th and as presented the staff suggestion is to go with a load following system per the commission’s approval. The commission then gave the executive director permission to sign the load following contract with Bonneville Power Administration.

6. Operations Report – Kurt Wank, Assistant General Manager reported that Variable Frequency Drive 4 is being repaired as part of an emergency that was declared and that as soon as the repairs are complete the declared emergency will be over. Mr. Wank also noted that while the drive was down the sediment basins had been washed down.

7. Old Business

a) Broadband Update – Andrew Entrikin, Director of Broadband and New Power Supply reported to the commission that the second round of BEAD grant applications are in process.

b) Adjudication Update – Jon Sitkin, Legal Counsel reported that there had been some confusion about the deadline for claim filing and that the deadline was in fact May of 2026. He noted that while still in the early stages of the process over 100+ claims have been filed.

d) Geothermal Update – Andrew Entrikin, Director of Broadband and New Power Supply reported that we are still waiting for the second update on the project.

e) Strategic Plan Update – Chris Heimgartner, General Manager informed the commission that a logistics meeting was held with staff and the team at Maul Foster & Alongi. The entire strategic planning process is due to finish in October. Dates for special meetings to meet with Maul Foster & Alongi, as well as Crina Hoyer will be scheduled in the upcoming weeks.

8. New Business

a) Report 1: Kurt Wank, Assistant General Manager presented a report on the progress made on the reconstruction of Plant 1. We are about 30% along in the planning process and the project is on track to meet its deadlines.

b) Action 1: Accept the District's 2024 Annual Financial Report and Authorize the Submittal to the State Auditor's Office. Annette Smith, Finance Director gave a presentation on the 2024 annual financial report and requested that commission approve the report for submittal to the state auditor's office. Commissioner Arnett made the motion to approve and submit the report. Commissioner Ury seconded. The motion passed unanimously.

c) Action 2: Approve the Purchase Contract with Oxy Corp, authorize the General Manager to execute said Contract, and authorize the issuance of the earnest money provided for in the Purchase Contract, conditioned on:

A) Legal Counsel final approval of the Legal Description of the Property being acquired to include the 20' easement connecting the buffer tract with Northgate Way.

B) General Manager Approval of the final purchase contract providing for the most efficient available process for creating the Property as a legal lot of record. Commissioner Arnett made the motion to approve the motion as written above. Commissioner Ury seconded. The motion passed unanimously.

d) Resolution 1: Resolution No. 877, Resolution by The Board of Commissioners of Public Utility District No.1 of Whatcom County (District) Correcting and Superseding Resolution No. 872. Commissioner Ury made the motion to approve the resolution. Commissioner Arnett seconded. The motion passed unanimously.

9. Commission Reports/Per Diem Requests:

Commissioner Arnett talked about attending the upcoming WPUDA meetings and discussed with her fellow commissioners and staff ideas for the PUD's 4th of July float.

Commissioner Ury reported on his upcoming attendance to the WPUDA meetings.

Commissioner Deshmane reported on his upcoming attendance to the WPUDA meetings and noted that he will be attending the Whatcom County Planning Commission meeting to voice the PUD's approval of the increasing of County Code transmission line limits to 230 KV.

10. Public Comment – Todd Lagestee thank Finance Director Smith for her presentation and gave comments about how he would like to see other details in the financial reports moving forward.

11. Executive Session

None.

12. Adjourn

There being no further business Commissioner Deshmane adjourned the meeting at 10:32 a.m.

Atul Deshmane, President/Commissioner

Jaime Arnett, Vice President/Commissioner

Eddy Ury, Secretary/Commissioner

Commission Clerk Note:

Video recordings of the Whatcom PUD Commission Meetings are available online at the following link on the PUD's Website: <https://www.pudwhatcom.org/the-commission/agenda-packets-meeting-minutes-recordings/>

Memo

To: Commissioners Arnett, Deshmane, and Ury
From: Andrew Entrikin, Director of Broadband & Power Supply
Date: May 13, 2025
Re: Approve Interlocal Agreement with Mason County PUD 3 and the Transfer of \$378,000 in BPA EEI Budget Listed in Exhibit A to the Agreement

Requested Action: APPROVE INTERLOCAL AGREEMENT WITH MASON COUNTY PUD 3 AND THE TRANSFER OF \$378,000 OF THE DISTRICT'S BPA EEI PROGRAM BUDGET AND AUTHORIZE THE DISTRICT'S GENERAL MANAGER TO SIGN THE AGREEMENT IMPLEMENTING THE TRANSFER.

Background: Public Utility District No.3 of Mason County ("Mason PUD 3") has exhausted its BPA EEI budget for BPA's current two year rate period FY 2024-25. Mason PUD 3 has requested that the District transfer additional EEI dollars for the current BPA rate period to Mason PUD 3.

In order to proceed with a transfer of EEI Budget to Mason PUD 3, a new Interlocal Agreement must be executed between the District and Mason PUD 3. The transfer of BPA EEI budget from one party to the other is memorialized in Exhibit A to the Agreement. Future transfers agreed to by the parties (either to or from Mason PUD 3) will be accomplished by amendments to Exhibit A, as long as the Interlocal Agreement remains in effect.

If the Interlocal Agreement and transfer is approved by the Commission, the District will still have sufficient remaining BPA EEI Program Budget to cover any potential District sponsored energy efficiency projects for the remainder of BPA's 2024-25 rate period, which ends September 30, 2025. The District will then receive another budget allocation for BPA's following 3 year rate period, which begins October 1, 2025 and extends thru September 30, 2028. The Interlocal Agreement and Exhibit A are included with this memo for the Commission's review.

Fiscal Impact: If approved, Exhibit A and the budget transfer described therein will have no direct fiscal impact on the District's 2025 Annual Budget.

Recommended Action: APPROVE INTERLOCAL AGREEMENT WITH MASON COUNTY PUD 3 AND THE TRANSFER OF \$378,000 OF THE DISTRICT'S BPA EEI PROGRAM BUDGET AND AUTHORIZE THE DISTRICT'S GENERAL MANAGER TO SIGN THE AGREEMENT IMPLEMENTING THE TRANSFER

**INTERLOCAL AGREEMENT
BETWEEN
PUBLIC UTILITY DISTRICT NO.1 OF WHATCOM COUNTY
AND
PUBLIC UTILITY DISTRICT NO.3 OF MASON COUNTY

FOR SHARING OF
ELECTRIC SYSTEM RELATED SERVICES**

THIS INTERLOCAL AGREEMENT (the “Agreement”) is made this _____ day of May 2025, between Public Utility District No. 1 of Whatcom County, a Washington municipal corporation (hereinafter “Whatcom PUD”), and Public Utility District No.3 of Mason County, a Washington municipal corporation (hereinafter “Mason PUD 3”). Whatcom PUD and Mason PUD 3 are jointly referred to herein as (the “Parties”) and individually as (“Party”).

WHEREAS, Whatcom PUD and Mason PUD 3 are authorized to engage in the provision of electric energy supply and services to wholesale and retail customers; and

WHEREAS, Whatcom PUD and Mason PUD 3 are authorized to construct and operate facilities necessary to generate, transmit, and/or distribute electric energy within their respective service areas; and

WHEREAS, the Parties have a common interest in sharing resources, when feasible, for the cost-effective delivery of electric energy related services to their respective customers; and

WHEREAS, the Parties are both power supply and transmission customers of the Bonneville Power Administration; and

WHEREAS, it is in the public interest for the Parties as public entities to work in a cooperative manner; and

WHEREAS, the Parties desire to enter into this Agreement under the terms and conditions of Chapter 39.34 RCW (entitled the Interlocal Cooperation Act);

NOW, THEREFORE, in consideration of the mutual covenants contained herein, Whatcom PUD and Mason PUD 3 agree as follows:

1.0 PURPOSE.

The purpose of this Agreement is to establish procedures whereby the Parties can combine, share, and use their respective skills and assets, thereby expediting their respective receipt and delivery of electric energy and related services to customers within their respective service areas. The cooperative efforts enabled by this Agreement are intended to reduce the cost of electric system planning, construction, and operation over what would otherwise be achieved if the Parties acted independently. Further, this Agreement enables a sharing of benefits available to each Party as a wholesale customer of the Bonneville Power Administration (“BPA”).

2.0 DECISIONS.

All decisions under this Agreement shall be by consensus of the Parties, subject to the financial, technical, and legal limitations of both Parties. In the event that the Parties are unable to agree upon a means of undertaking any proposed action pursuant to this Agreement, then either Party shall have the unilateral right to reject such means, without contributing additional time or other resources to the further negotiation thereof.

3.0 GENERAL SCOPE OF SERVICES.

The services to be provided under this Agreement are limited in scope to the transfer from either Party to the other of a portion of either Party's BPA conservation budget, also referred to as the EEI budget. Such budget is determined by BPA through a rate setting process and allocated among each of BPA's power supply customers for each two year BPA power rate period. The allocated budget is available to customers to reimburse them for a portion of the cost of qualifying conservation (i.e. energy efficiency) programs and projects customers implement.

3.1 EXHIBIT A – TRANSFERS

Any transfer of BPA conservation funds as agreed to by the Parties shall be as described on Exhibit A, attached hereto and incorporated herein by this reference. Any revision to the transfer amount and/or conditions on such transfers shall be by written amendment to Exhibit A approved by the Board of Commissioners of each Party unless a Party has specifically delegated that authority to its General Manager.

4.0 COMPENSATION FOR SERVICES.

For the scope of services described above, there is no compensation owed by either Party to the other.

5.0 TERM.

This Agreement shall commence as of the date entered in the above first paragraph of this Agreement and shall continue until **day 30 of the month of September 2028** unless either Party terminates this agreement by providing written notice to the other Party, not less than 30 days prior to the date such party desires the termination of the Agreement to become effective. Either Party may require that the terms and conditions of this Agreement be re-negotiated by providing written notice to the other Party, not less than 30 days prior to the date such party desires the modification to the Agreement to become effective. A notice of re-negotiation shall not be a notice of termination; however, nothing prevents a party from delivering both a notice of re-negotiation and a notice of termination.

If the Agreement is terminated, in accordance with the provisions of this section 5, then the Parties agree to negotiate in good faith to unwind the obligations entered into under this Agreement. If the Parties cannot agree to a resolution of the obligations entered into within ninety days of the termination date of this Agreement, then the Parties agree to submit to binding arbitration, as set forth in Section 9.7 below.

6.0 CONTACT PERSONS.

The following persons, referred to as Contact Person(s), are responsible for the administration of this Agreement for each Party and have the authority to execute Task Orders on behalf of their Party under this Agreement:

For Whatcom PUD: General Manager
For Mason PUD 3: CEO

or such other persons as may be specified from time to time in writing by either Party.

7.0 RELATIONSHIPS OF THE PARTIES, RELEASE AND INDEMNIFICATION.

The Parties agree that they are each independent public entities operating pursuant to the terms and conditions of this Agreement. No agent, employee, or representative of a Party to this Agreement shall be deemed to be an agent, employee, or representative of any other party for any purpose. To the extent permitted by law, each Party remains solely and entirely responsible for the acts of its respective staff performing services for the other Party under this Agreement.

7.1 *Release by Mason PUD 3.* To the extent permitted by law, Mason PUD 3 hereby releases Whatcom PUD, its successors and assigns, Directors, Commissioners, officers, employees, agents, and representatives from any and all claims, losses, injuries, harm, liabilities, damages, costs, charges and expenses including all reasonable and necessary attorney's fees incurred in connection with Whatcom PUD and its employees' performance under this Agreement.

7.2 *Release by Whatcom PUD.* To the extent permitted by law, Whatcom PUD hereby releases Mason PUD 3, its successors and assigns, Directors, Commissioners, officers, employees, agents, and representatives from any and all claims, losses, injuries, harm, liabilities, damages, costs, charges and expenses including all reasonable and necessary attorney's fees incurred in connection with Mason 3 PUD and its employees' performance under this Agreement.

7.3 *Indemnification.* Each Party, as an indemnitor, agrees to protect, defend, hold harmless, and indemnify each other Party from and against all third party claims, suits, and actions arising from the intentional or negligent acts or omissions of such indemnitor, its agents, or employees in the performance of this Agreement.

8.0 EXTENT OF AGREEMENT AND MODIFICATIONS.

This Agreement, together with the Exhibits and Addenda as may be added upon approval of both Parties, contains all of the terms and conditions agreed upon by the Parties. The Parties agree that there are no understandings, oral or otherwise, modifying or adding to this Agreement. No amendments, changes, or modification of this Agreement shall be valid or binding upon either Party unless such amendment, change, or modification be in writing and executed by both Parties.

9.0 MISCELLANEOUS PROVISIONS.

9.1 *No waiver.* The failure of either Party to insist upon or enforce strict performance by the other Party of any provision of this Agreement or to exercise any right under this Agreement shall not be construed as a waiver or relinquishment to any extent of such Party's right to assert or rely upon any such provision or right in that or any other instance; rather, the same shall be and remain in full force and effect.

9.2 *Applicable Law.* This Agreement shall be interpreted, construed, and enforced in accordance with the laws of the State of Washington, except to the extent such laws may be preempted by the laws of the United States of America.

9.9 *Statutory Notice.* Pursuant to RCW 39.34.040, following execution, this Agreement will be listed by subject on the web sites respectively of both Whatcom PUD and Mason 3 PUD.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives all as of the day and year first above written.

PUBLIC UTILITY DISTRICT NO.1 OF WHATCOM COUNTY

Chris Heimgartner
General Manager

ATTEST:

**PUBLIC UTILITY DISTRICT NO.3 OF
MASON COUNTY**

Annette Creekpaum
CEO

APPROVED AS TO FORM:

General Counsel

EXHIBIT A

BPA EEI BUDGET TRANSFERS

This Exhibit A is attached to and by this reference incorporated into the Interlocal Agreement between Public Utility District No.1 of Whatcom County (“Whatcom PUD”) and Public Utility District No.3 of Mason County (“Mason PUD 3”) (collectively referred to as the “Parties”).

1.0 Budget Transfer – BPA Rate Period (FY 2024-2025)

Subject to Bonneville Power Administration (“BPA”) approval, Whatcom PUD and Mason PUD 3 agree for each Party’s respective BPA two year Rate Period (FY 2024-2025) as follows:

Whatcom PUD and Mason PUD 3 agree to request that BPA transfer **THREE HUNDRED SEVENTY-EIGHT THOUSAND DOLLARS (\$378,000)** of BPA’s Energy Efficiency Incentive (EEI) program budget funds for Rate Period (FY 2024-2025), which were previously allocated to Whatcom PUD, to Mason PUD 3. This transfer does not involve any actual monetary payment by Whatcom PUD to Mason PUD 3, nor is Whatcom PUD obligated to make any payment to Mason PUD 3. Rather, it is a joint request to BPA to re-allocate a portion of the BPA EEI program budget funds allocated to Whatcom PUD for BPA Rate Period (FY 2024-2025) to Mason PUD 3.

2.0 Conditions on Transfer

For this specific transfer of BPA EEI program budget from Whatcom PUD to Mason PUD 3, there are no conditions on the transfer with the exception of BPA prior approval.

3.0 Amendments to Exhibit A

Should either Party request any future BPA EEI program budget transfers from the other Party and such Party agrees, then it shall be by amendment to this Exhibit A, pursuant to written agreement of the Parties.

IN WITNESS WHEREOF, the Parties have caused this EXHIBIT A to the AGREEMENT to be executed by their duly authorized representatives all as of the day and year written above.

PUBLIC UTILITY DISTRICT NO.1 OF WHATCOM COUNTY

Chris Heimgartner
General Manager

Date

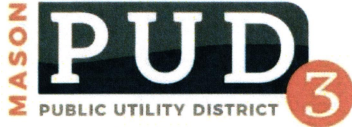
ATTEST:

PUBLIC UTILITY DISTRICT NO.3 OF MASON COUNTY

Annette Creekpaum.
CEO

Date

ATTEST:



COMMISSIONERS
THOMAS J. FARMER
JULI A. TUSON
JEFFERY S. MCHARGUE
CEO
ANNETTE CREEKPAUM

May 6, 2025

Andrew Entrikin
Whatcom PUD
1705 Trigg Rd
Ferndale, WA 98248

RE: Bilateral Transfer of BPA funds

Dear Mr. Entrikin:

Mason PUD 3 is seeking a bilateral transfer of BPA EEI funding in the amount of \$375,000. We will utilize these funds to help our low-income customers receive efficient heating and cooling, water heating, and Energy Star appliances. We anticipate these funds helping approximately 75 homes in our community. We value our relationship with Whatcom PUD and hope to continue partnering in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Salem Schankel".

Salem Schankel
Conservation Supervisor