

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY
MINUTES OF A WORK SESSION OF
THE BOARD OF COMMISSIONERS
JUNE 16, 2008

A work session of the Board of Commissioners of Public Utility District No. 1 of Clallam County was held at the Port Angeles Office, 2431 East Highway 101, on the above date commencing at 10:30 a.m.

Commissioners present were: Hugh Haffner, President; Hugh E. Simpson, Jr., Vice President; W.E. Purser, Secretary

Staff present were: Mike Kitz, Acting General Manager; Joshua Bunch, Treasurer Controller; Fred Mitchell, Power Resources & Utility Svc. Manager

Others present were: Stu Clarke, Account Executive Bonneville Power Admin.; Shannon Greene, Account Executive Bonneville Power Admin.

The purpose of the work session was to discuss Bonneville Power Administrations' Slice/Block product.

Stu Clarke, Account Executive from Bonneville Power Administration, presented the characteristics of the Slice/Block products. Block service is available in a flat annual amount or shaped to customers forecast of monthly net requirements. The Slice component provides power in the shape of BPA's generation from the Federal system resources. Stu also discussed the inherent risk that Slice power will be less during low water years and may be further constrained due to fish and other hydro operation requirements. It was also noted that the Slice/Block is most likely the preferred option for customers desiring to develop their own resources for load growth and renewable requirements.

The work session adjourned at 1:10 p.m.