



PUBLIC UTILITY DISTRICT NO. 1
OF
JEFFERSON COUNTY

November 13, 2017

**Citizen Advisory Board
Meeting**

*Final
Minutes*

A meeting of the Public Utility District No. 1 of Jefferson County (PUD) Citizen Advisory (CAB) was held at 310 Four Corners Road, Port Townsend, Washington, on November 13, 2017. The meeting was convened by Chair Roger Risley at 2:30 p.m. Attending:

CABMembers:

Roger Risley
L. Dennison
Peter Lauritzen
Norman Norton
Karen Bennett
Tom Engel

PUDRepresentatives:

Commissioner Wayne King
Don McDaniel, Consultant (leaves at 3:05pm)
Will O'Donnell, Communications Manager
Bill Graham, Resource & Conservation Manager

It was established there was a quorum.

Review of Agenda

- Remove Absent Board Member Discussion
- Add Future Meetings
- Sub-committee Meetings
- Remove Noxious Weed Sub-Committee Report
- Add Smart Meters
- Roster of CAB Members (this was passed around)

MOTION: Larry Dennison made a motion and it was seconded by Tom Engle that the Agenda be approved as amended. Motion unanimously carried.

Voluntary Introductions: Voluntary introductions were made.

Approval of Minutes from Last Meeting:

Karen Bennett has corrections to **Broadband Delivery Strategies:** First two paragraphs should read as follows:

Karen Bennett gives a report. The committee has contacted Congressman Derek Kilmer's office regarding a new bill he is proposing to bring Broadband services to the rural arena. Where did the funding go? Who is regulating that? It seems like C.A.F. money is not being spent as originally planned.

A survey was done regarding the satisfaction level of broadband services that customers are getting. The subcommittee will be meeting to understand the results of the survey and how it can be used to drive action.

In line **PUD Smart Meters Discussion:** Take out Karen Bennett's name.

MOTION: Norm Norton made a motion to approve the minutes of October 9, 2017, meeting of the Jefferson County PUD Citizen's Advisory Board, as amended and it was seconded by Larry Dennison. Motion carried unanimously.

Public Comment:

Don McDaniel stated that Doug Huber would like to have an excused absence for today's meeting.

Comment: A resident from District 2 wanted to have the CAB Member Roster sent to her. She addresses the Board regarding minutes of the CAB meetings which have not been posted on the website. Will O'Donnell, Communications Manager will post CAB Member Roster on the website after it is updated. He will also post all minutes up to the October, 2017, meeting on the PUD website.

Roger Risley suggested that Bill Kaune's Report on Electro-Magnetic Fields Radiated by SMART Power Meters be added to the record. The report is already available on the PUD website. That report has been updated. This report was presented at the October 30, 2017, public meeting. Bill said he will send latest version to Don McDaniel.

Another public member shared the concern about the fact there were no meeting minutes for all of 2017 posted on the website. It has been brought up before and has not been addressed. He mentioned there was to be a location on the PUD website dedicated to the CAB which would contain CAB documents and submittals, proposals and everything related to the CAB and that seems to have never happened.

It was also mentioned that the agenda for this CAB meeting was included as part of the packet for the Commissioners last meeting but it was never posted separately for the CAB.

It was mentioned that the minutes for 2017 have been scanned. The Public Disclosure Act was cited as being very specific for giving notice of the CAB meetings.

Will O'Donnell, Communications Manager stated he would make sure the CAB agendas and minutes and CAB information are put on the website.

Broadband Delivery Strategies: Subcommittee members have been meeting two times a month. They will continue to do that on Mondays one hour prior to the CAB meeting at 1:30pm at the same building as the CAB meeting. Bill Kaune and Bill Graham were invited to join the group.

Credit Card Use Policy: Tom Engel did not receive the information he requested from Kevin Streett. He does not have a report at this time. When he gets that information he will set a meeting.

Reduced Rates Low Income: Peter Lauritzen gave a report. The committee has met once a month. They meet with Commissioner Jeff Randall who has done a lot of work with the committee. They have also met with Marty Lockhart, Bill Graham, and Jean Hall of the PUD. The last meeting was the 13th of September, 2017. They had three people from St. Vincent de Paul meet with them as well. What they have done for the last few meetings is gather a huge amount of information of what other groups are doing - Seattle City Light, OLYCAP, SNAP. They have not formed any sub-committee recommendations. They will report at the next meeting. They are hoping to have something out formally by January 2019. They want to look at expanding the income limits for qualifications for increasing assistance from the PUD from 125% of federal poverty level to 150%. They want to just raise the threshold and simplify the application process by coordinating with the OLYCAP staff which is SNAP (the food stamps program). They have already gotten approval. You have to go through a number of groups to get approval for that. So maybe we could piggy-back on that or use it to give them assistance. Another thing is to simplify the application process consider some kind of opt-out program that automatically enrolls people. Increase the credit we give people. Apparently we give people \$35.00 a month off their utility bill. We would like to have that increased to \$50.00 month or else base it on a percentage basis. Our goal as originally laid out to increase participation in the low-income program because we are only spend the money that we allocated for it. We allocated

something like \$450,000 and we are only spending half of that. We know there are residents out there that are not applying.

Question: Do we have a way of finding out how many people out there could qualify and they just aren't doing that?

Comment: One of the ways to do that is by working with OLYCAP to find out who has applied for it and who has been approved for the SNAP program. That is a wider audience than we have here. This opt-out idea comes from Seattle City Lights. They base their program on SNAP applicants as recipients and they automatically include those people in the program unless they opt out.

Roger Risley: In the chart that Commissioner Kenneth Collins had presented he has identified a sample of 300 low income people.

Comment: Seattle City Lights quit their conservation because they gave away their lightbulbs and they conserved so much power that that raised the rates.

Comment: Jeff had done some work on this before our committee meeting and he went to Seattle City Lights and talked with some of their PUD analyst.

Don McDaniel leaves at this part of the meeting. (3:05pm)

Comment: What are we doing about education about this program to let people know that there is a program available for low income? Do we have things posted on the website? Has there been something stuffed the bills or in the newsletters? That might also be a place to start pushing the topic so that people are more aware of it and then they will come and apply.

Will O'Donnell stated that the PUD is going to add an insert into the envelopes that the bills are mailed out in. This will happen in the next week or two for the month of December and then he is putting together a 11" x 17" poster for all of the busses that go out. Every bus will have this (Will holds up the flyer) in there. It is a free advertisement that they allow us to put up. Will is also doing a little 3" x 5" card that will go to all the service agencies. Tom Thiersch has sent Will a list of ideas to follow up on to get the word out on low income. Will stated getting out the word was his focus this week about that and the power boost donation program will help fund it. It is on the website as well and he is trying to make it where it is easier to find.

Comment: Commenter not identified - this person was involved with the original recommendations on low income and what I discovered was the most useful thing was on the Jefferson County Public Health website. It had a social economic survey. For example: One questions was how many people are above the line. You can find that kind of information from this website. I did a report on it which is paii of what the sub-committee did.

Question was asked "how do we interface with power boost?"

Comment: Power boost is a separate program and the power boost money is given to people on a separate basis than these funds. The Power boost money is spent between OLYCAP and Saint Vincent de Paul and they give that to people in need. It is totally separate from this program.

Question: Are people on low income going to be exempt from the base charges or will they be paying the base charges?

Comment: It depends what recommendation we follow and how we put that together. We have not come up with a recommendation. We give right now a fixed amount each month. It has been proposed to give a percentage of the bill instead.

Comment: At one point the PUD was waiving the base charge per month for low income people.

Question: Are they still doing that?

Comment: That was for low income seniors and disabled.

Question: Are we still waiving base fees for disabled and low income seniors?

Comment: Answer from Commissioner Wayne King was yes.

Pete Lauritzen stated that they saw a presentation at this last week's meeting by Craft 3 which is a non-profit organization for energy loans. They teamed up with utilities and also with other groups and not necessarily utilities and basically they worked closely to make loans to people. This wouldn't be low income. This would be for anybody that wants a loan for some kind of conservation improvement. Craft 3 makes these loans over a wider range of improvements. They will even give you a loan for a solar system. The PUD doesn't do that. Certainly they cover all the conservation, heat pumps and all those kind of things that the PUD offers on their programs that are funded by BPA.

Larry Dennison reported there was a conference call with Craft 3 and they explained the process. We asked if they might possibly send somebody over here and talk with the CAB about their program or possibly do a conference call with us.

Pete Lauritzen stated he would like to have a Craft 3 presentation at the next CAB meeting and then ask for your approval for this separate from the low income program. We ask for recommendations from the CAB to the Board of Commissioners to work a program out with Craft 3 for loans for our conservation program.

Question: Is that a local group or a nationwide organization?

Comment: They are pretty much a West Coast group. They operate primarily in Oregon and Washington. They work with utilities to make loans. The utilities are not directly involved in the loan process. There is no risk to the utility.

Comment: Their name came up briefly in a conversation about broadband with regard to potential for a different way to fund broadband.

Roger Risley would like them to come and give a presentation. Would OLYCAP be here too?

Comment: OLYCAP has always been involved in all of our meetings. St. Vincent de Paul is one we really kind of overlooked but they play a very valuable role in the community as far as housing is concerned and so we invited them to continue to be involved in committee.

Larry Dennison stated that whenever the next meeting is they will try to get Craft 3 in either directly or through a conference.

The subcommittee members will contact Craft 3 to attend the CAB meeting. They are to contact Don McDaniel.

Roster: Subcommittees will be added to member roster.

Solar Subcommittee: Roger Risley and committee set a meeting for November 21, 2017, at 2:00 pm at Bill Kaune's house.

Smart Meters Subcommittee: Each of the committee members, Peter Lauritzen, Bill Kaune and Tom Engel prepared reports and presentations at the meeting of October 30, 2017, and those reports are available on the website. Nobody really responded to the issues that they presented in their reports.

Bill Kaune reports that the opponents of installation of SMART meters have raised a number of objections. They are in the area of privacy, security in the sense that the SMART meters somehow make the PUD system more susceptible to hacking.

- Economic - they argue that the lifetime of these meters is five to seven years and they wonder about the cost of software upgrade. Will the manufacturer continue to support these meters over a long period of time?
- Accuracy - they argue about the accuracy of these meters. They quote a report prepared in Holland which is published in the IEEE magazine which says that of the 15 meters they tested nine were inaccurate and the inaccuracy in one case was 500% error.
- Safety - they worry about the transmitters in these meters. They worry about dirty electricity. Also could be a fire hazard.

The biggest issue is the economic issue. The lifetime of the meters is five to seven years. If that

is true and these meters cost a lot more than the analog meters, why are we doing that? To me that is our next important issue. ITRON should be exclusively asked this question. It turns out that the warranty for these meters is for one year. Commissioners were urged to communicate with ITRON and ask them what is the lifetime of the meters. The opponents are very articulate. They are reasonably well prepared.

We have no AMI meters. It is a relatively new meter and meter lifetime date is hard because they are new.

Tom Engel: There are 70 million meters like the SMART meters deployed in the United States. The only way you can determine what the lifetime of these meters are is to ask a sizeable fraction of the utilities deploying these meters what the lifetime is. You can't take one report on the internet and say this is the answer.

One of the few things that I found useful on that movie Take Back Your Power was a reference to a database of research studies that were done on the health effects of RF radiation. It has been compiled by a research faculty member at the University of Washington, Henry Lay. I have been in communication about this with him. There are two things that are really important. All the research has been done on cell phone radiation because exposure to a SMART meter would be equivalent about a factor of 500 to 1000 less than the exposure you would get by holding a cell phone to your ear for 12 minutes a day. The SMART meters are negligible in terms of their radiation. However cell phones have been used for a long time and studies are necessary there. Comparison was done when standing three feet from the meter vs. the cell phone at your ear. What you have to know is that in the health and biological sciences a great number of scientific papers that are published in peer review are non-reproducible. It's not that the people are corrupt or inept, it is simply that all the variables have not been controlled. You can't define the problem as uniquely as you would like. In the literature that Henry Lay cites which are lots of papers which claim for instance that rats become sterile within the seventh generation after being exposed of RF radiation at levels comparable to cell phones - there is a lot of contradiction and there is also a lot of political influence in this field. Seventy percent of all those papers where they were funded by the cell phone industry found no affect. Seventy percent of those that were independently funded found no effect. A lot of researchers don't even bother looking at journals except top flight journals like Science and Nature and Cell, etc. There is an issue with brain cancer and cell phones that that's the highest probability that there is something really there. It is very hard to research. Only three in 300,000 people get brain cancer and the results are somewhat conflicted there. So the jury is out on that issue. With SMART meters there is no issue.

Comment: There are still economic issues that need to be researched a little better.

Comment: Kevin Streett figured out the costs. A meter reader has to read 200 meters a day. So, 6 meter readers and 6 trucks could read all the meters in the system. If there are 27 meters readers, that means 27 trucks, where are you going to put them?

Comment: These guys make \$70,000 a year.

Comment: Analog meters are no longer manufactured. So are we going to buy antiques that have been refurbished by a company that we have no idea how long they are going to be around. We have no idea how long their refurbished meters last? It doesn't make sense to even suggest this.

Will O'Donnell stated that the questions that the members have brought up have been excellent. The question about the discrepancy about the purchase and what is going out would be great and if any of guys wanted answers to the questions you wanted answered he would love to get a list of those and he will get answers from Kevin and get them all back to you. Send questions directly to Will O'Donnell.

Comment from the public about AMI and the infrastructure. On the infrastructure it is really what the business plan should address. A member of the public would be interested in seeing the business plan for the SMART meters. What affects would SMART meters have on the PUD and the community in the next fifteen years? Like we are going to the bank to get a loan.

Comment: On the low income reduce rates issue, it has been proposed that the base charge be increased from \$14.50 to \$18.00 as part of a new structure. I would hope that that \$35.00 a month would be increased by that same amount so that the net cost to people receiving that benefit would be zero increase in the base rate. So basically go up from \$35.00 to \$40.00 if it's going to be a fixed amount as opposed to a percentage and a fixed amount is a good idea. Percentage discount would encourage waste. The fixed amount encourages conservation and still provides relief for the low income people that need it.

Comment: On the credit card use policy. When the CAB was going through the CAB charter or governance process there was a question raised about what things does the CAB work on? Who decides what issues are to be addressed and who assigns the work to be done? It was determined that CAB was to work on things that were approved by the commissioners in general. So my question is on this credit use policy which commissioner decided that it was a topic for the CAB to look into? I didn't hear that discussed at any of the commissioners' meetings. It was an idea that was brought up by the CAB itself. The procedure was that the CAB was supposed to get approval to do that from the commissioners before going ahead. That was a concern as to why and how that happened.

Comment: Comparison of Analog vs. Digital and RF vs. non-RF.

Comment: Issue of expected lifespan of the SMART meters. Every new technology that is put out there the manufacturers calculate the expected lifespan. They calculate it based on methodology and they look at the components and what their lifetimes are and they predict what the lifetime of each device is going to be so when they are selling you something they either put

a one year or a five year or whatever year warranty on it based upon their mean time between failure calculations. They don't have to do it in real time. They just calculate it. This is the established method of how you put a lifespan on anything that is new. You don't run it for twenty years to determine if it will last for twenty years.

Comment from Roger Risley: I think there was at some point a realization that our agenda is a two way street and that the commissioners bring stuff to us agenda items as needed and also we initiate some ourselves as we feel needed to.

Peter Lauritzen: Our policy does not say things need approved by the commissioners for the CAB to take up a topic.

Next Meeting: December 11, 2017, with Commissioner Jeff Randall.

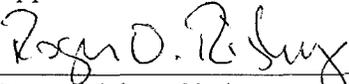
MOTION: Karen Bennett made a motion and it was seconded by Larry Dennison to adjourn the meeting. Motion unanimously carried.

ADJOURNMENT: Chair Roger Risley adjourned the meeting at 4:12 p.m.

Minutes prepared by: Cammy Brown, PUD Recorder

CAB meeting audio file available on website www.jeffpud.org

Approved:



Roger Risley, Chair

8 JAN 18

Date

Doug Huber, Vice Chair

Date

Please note PUO Citizen Advisory Board meetings are audio recorded and posted to the PUD website at www.jeffpud.org, usually within 1-2 business days of each meeting. If you experience any difficulty accessing a particular recording, you may call 360.385.5800 for assistance. Jefferson PUD provides reasonable accommodations to persons with disabilities. We invite any person with special needs to contact our staff at 360.385.8351 at least 24 hours before the meeting to discuss any special accommodations.