

RESOLUTION NO. 1670

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF PUBLIC UTILITY DISTRICT NO. 1 OF OKANOGAN COUNTY APPROVING ENERGY NORTHWEST'S UNDERTAKING OF THE HORN RAPIDS SOLAR, STORAGE, AND TRAINING PROJECT

WHEREAS, Public Utility District No. 1 is a member of Energy Northwest, a joint operating agency of the State of Washington organized and existing pursuant to RCW 43.52. et seq.; and

WHEREAS, Energy Northwest's Board of Directors was briefed in 2016 on the feasibility and benefits of the Horn Rapids Solar, Storage, and Training Project (HRSST Project), contemplated to be a four MWDC photovoltaic solar project paired with a 1MW Vanadium Flow battery energy storage system to be sited in Richland and owned and operated by Energy Northwest; and

WHEREAS, the ownership structure has changed since that time and Energy Northwest's Project (EN Project) now consists of the 1 MW Vanadium Flow battery energy storage system with a private entity separately owning the solar project; and

WHEREAS, the City of Richland has agreed to be the off-taker of the power and will enter into a participant agreement with Energy Northwest for the use of the battery energy storage system, with the participant agreement providing that the City will have full financial responsibility for the EN Project; and

WHEREAS, the value of energy storage systems has gained focus in the electric industry with the increased renewable energy requirements and, thus, Energy Northwest owning and operating the battery energy storage system portion of the HRSST Project is beneficial to the electric ratepayers of the Pacific Northwest as demand for battery energy storage systems grows; and

WHEREAS, RCW 43.52.360 requires approval by a majority of Energy Northwest members' legislative bodies in order for Energy Northwest to undertake the EN Project; and

WHEREAS, final authorization to proceed with the EN Project by the Board of Directors of Energy Northwest is contingent upon execution of the participant agreement with the City of Richland; and

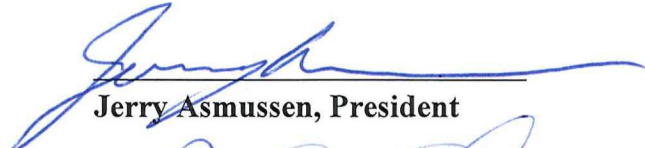
WHEREAS, it is in the best interests of Public Utility District No. 1, that Energy Northwest be authorized to undertake the EN Project, contingent upon the execution of the participant agreement with the City of Richland; NOW, THEREFORE,

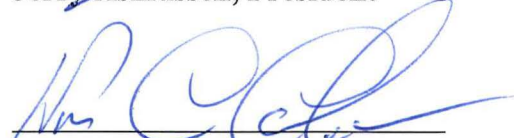
BE IT RESOLVED that, Public Utility District No. 1 pursuant to RCW 43.52.360, hereby approves that Energy Northwest undertake the EN Project, contingent upon the execution of a participant agreement with the City of Richland.

ADOPTED at an open public meeting, of which notice was given as required by law, this 24th day of September, 2018.

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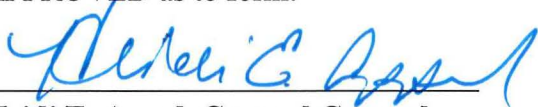

Jerry Asmussen, President


William C. Colyar, Vice President

ATTEST:


Scott Vejraska, Secretary

APPROVED as to form:


Heidi E. Appel, General Counsel