

Minutes
Seattle Water Supply System Operating Board
March 7, 2013
2:00 – 4:00 p.m.

Mercer Island Council Chambers
9611 SE 36th Street
Mercer Island, WA 98040
Phone: (206) 236-5300

<u>Board Members</u>	<u>Board Alternates</u>	<u>Wholesale Utility Representatives</u>	<u>SPU Attendees</u>	<u>Other Attendees</u>
Nancy Ahern Matt Everett Ray Hoffman Ron Little Byron Murgatroyd Steve Moye - Alt	Ron Speer	Ken Howe Terry Olson Mark Parsons Terry Smith Margaret Wiggins	Terri Gregg Regina Carpenter	Walt Canter Denny Clouse Steve Deem Jerry Thornton John Thompson Steve Pfaff Kathleen Quong-Vermeire Jim Rick Ron Ricker

- **Welcome and Introductions**
- **Minutes/Agenda**
 - The February 7, 2013 minutes were approved as amended with corrections.
 - The agenda for the March 7, 2013 meeting was approved as written.
- **New Business**
 - **Annual Accounting of Retail Connections**
Regina Carpenter, SPU Sr. Economist gave the results of the 2012 annual accounting of retail connections with a reminder that FC's need to be paid after a meter has been removed for 2 years or more and is then re-established.
 - **Facility Charge**
Regina Carpenter, SPU Sr. Economist gave a power point presentation on New Supply Capital Cost Recovery (aka: Rates vs. FCs). The presentation included background of why the OB is discussing FCs again (decide rates vs. FCs for 2014+), relevant contract definitions, authorities and calculations, and the details of the most recent (2010) rate vs. FC decision. Ray Hoffman, OB member motioned and Matt Everett, Chair seconded to have Regina come back at the May 2013 meeting with an analysis of updating FC's

going forward using the methodology approved in 2010. Also, for the OB to consider agreeing to the next review period on FC's be in 5 years instead of 3 years.

Executive Summaries and Other Business

- **NRW sub-committee update and authorization to pay the Independent OB Member** – Update on the subcommittee work and the OB agreed to pay the independent OB member for his participation at the NRW sub-committee.
- **OB Utility Categories, Terms & Board Re-Evaluations** – handout
- **July 4th, 2013 OB meeting – Reschedule to June 27th or July 11th** – OB requested to reschedule to a June 27th meeting.
- **MLPP project** – OB members requested more information on the MLPP project. After some discussion Ray Hoffman said SPU will bring more details back to the OB when the project is at the 60% design phase.

- **Future Meetings**

March 7, 2013

April 4, 2013

- **For the Good of the Order**

- **Public Comment Period**

No comments provided

- **Material Presented:**

- 2012 Annual Accounting of Retail Connections
- FC's vs. Rates power point presentation

7. Board Meeting Adjourned @ 3:20 PM

Approved by:

Chair, Matt Everett
Seattle Water Supply System Operating Board

Date