PUD ‘On the Right Track’
With 2019 Operating Budget

The Grays Harbor PUD Board of Commissioners have approved a $126-million budget for 2019 that reflects an improving financial situation and a dedication to improving the utility infrastructure.

“This budget shows us that the PUD is on the right track,” said Board President Arie Callaghan. “We continue to live within our means and as district finances improve, we can put additional resources into the utility system that will improve safety and reliability for the PUD’s customers. That is what they expect and what this budget accomplishes.”

The budget calls for the PUD to spend $9.1 million on capital projects. Nearly three quarters of every dollar spent on capital improvements will go to the replacement of aging equipment, including aerial and underground transmission and distribution lines, hundreds of utility poles, and substation transformers and circuit breakers.

Roughly 56% of the budget will go to power purchases from the Bonneville Power Administration, and renewable energy contracts including the Nine Canyon Wind Project, the Coastal Energy Project and Sierra Pacific Industries. Utility operations and maintenance costs make up just 21% of the district’s spending.

Because of increased power costs of over a half-million dollars and a projected 5% increase in BPA costs in October, customer rates are proposed to increase 2.5 percent beginning on April 1, 2019. The delay will allow the PUD to assess any weather or market changes that take place over the winter and make any needed adjustments.

“Rate increases are not something the utility or the board take lightly,” said Commission Vice President Russ Skolrood. “As power costs rise, so do the costs for the PUD. However, we continue to work with Bonneville and other power providers to ensure that the needs of our customers are known and that we provide power at the lowest cost we can afford.”

Commission Meeting Dates

Meetings are held in the Nichols Building, 220 Myrtle Street, Hoquiam.

December 2018
Monday - December 3
Monday - December 17

January 2019
Monday - January 7
Monday - January 21

Regular business meetings are scheduled to begin at 4:30 pm. A one hour workshop (3:30 to 4:30 pm) will precede each business meeting, unless otherwise noted. The public is welcome to attend all commission meetings, special meetings, workshops and public hearings. Public comment periods are included at the open and close of every meeting.

Commission meetings may be cancelled and special meetings may be scheduled. Please visit our website (www.ghpud.org) for updated information.

ON-LINE BILL PAYMENT

Want to pay your bill on-line? Now you can pay your bill instantly without ever leaving home. Just go to ghpud.org, click the “Pay Bill/Smart Hub” button on the bottom left hand side of the screen and follow the instructions. If you have any difficulties using the online service, please call Customer Service at 1-800-562-7726 or you may email customerservice@ghpud.org.
Safety First When Lighting Up the Home for the Holiday

The time will soon come to unpack Christmas lights, set-up the step ladder and turn your home into an illuminated display worthy of Whoville. Outdoor light displays have become as much of a holiday tradition as the tree and eggnog, but be sure to remember basic safety tips as you hang lights from trees, gutters and roofs.

- Do not overload electrical outlets. This is one of the most common causes of holiday fires. Remember, only one high wattage appliance per outlet.

- Look up when hanging outdoor lights. Be sure to know where overhead power lines are when setting up an outdoor ladder. Use a wooden or fiberglass ladder when possible and stay one ladder length away from overhead power lines.

- Inspect all illuminated decorations for damage. Exposed wires, damaged sockets and loose connections can spark deadly fires.

- Make sure all extension cords are marked for outdoor use. In addition, keeps those cords clear of snow and standing water.

- Keep cords from being damaged when hanging lights. Extension or light cords which are pinched by furniture or cut by nails or staples can cause fires or provide a nasty shock.

- Remember that non-LED lights heat up quickly so take care with of those lights around curtains and other flammable objects.

Callaghan Elected to Second Term on PUD Board

Grays Harbor voters have overwhelmingly elected Elma’s Arie Callaghan to serve a second term on the PUD Board of Commissioner. Callaghan received 64.93% of the 16,362 ballots counted on election night. His challenger, Allen Werth, received 35.07%.

“I would like to thank the voters of Grays Harbor for their support,” said Callaghan. “I look forward to working with utility staff and my fellow commissioners to keep customer rates down, reliability up and continue the PUD’s role in Grays Harbor’s economic development.”

In addition to serving as the PUD Board President, Callaghan also serves as the PUD representative to the American Public Power Association and serves on the Executive Board of Energy Northwest.

Callaghan will be sworn in during the December 17 board meeting and will serve a six-year term.
Why Do I Pay a System Charge?

It’s one of the most common questions the Grays Harbor PUD receives: what is the PUD system charge and why do I pay it?

In Grays Harbor, the system charge is a flat, monthly charge of $39.00 that each residential customer pays. Its purpose is to make sure when you turn something on, the power is there to make it work. In other words, the system charge covers the baseline cost of maintaining the electrical system. It is paid by every residential customer to ensure that those costs (for lines, poles, trucks, substations, equipment, metering, billing, etc.) are equally shared, regardless of energy use. Through this method, the costs of the Grays Harbor PUD’s electrical system are shared fairly.

The utility system charge is set by a cost of service study carried out by an outside agency. Although not a set policy, it is the preferred practice of the utility not to adjust the system charge unless it is recommended by a cost of service study. The last study lowered the charge to $39.00. The next cost of service study in tentatively set to be carried out in 2019.

PUD Board to Legislature: Work Together on Carbon Solution

Following the defeat of Initiative 1631 in the November elections, the Grays Harbor PUD Board of Commissioners issued the following statement on the discussion of future carbon legislation:

“For the second time in three years, Washington’s voters have rejected a tax on carbon emissions. If the State Legislature chooses to pursue carbon legislation in 2019, we urge them to listen to the voices of Washington’s voters and those who have made Washington a leader in clean energy production and come up with a solution to carbon emissions that the entire state can rally behind.”

The board had previously passed a resolution opposing the initiative, which would have attached an escalating fee on carbon emissions. Estimates placed the impact to the Grays Harbor PUD at roughly $6.1-million from 2020-2022.

The 105-day 2019 legislative session begins on January 14 and carbon and energy legislation are expected to be some of the main topics discussed and debated on the floors of the House and Senate.
One of the main debates today in the Washington State government is about carbon and global warming. Is it real and what can humans do to combat it? As a PUD commissioner I have tried to look at both sides of the issue and then decide on a path that I believe is the best for the ratepayers of Grays Harbor.

Grays Harbor PUD’s power supply is 98% carbon free. That gives us one of the cleanest power systems in the nation, if not the world. The problem is that for some in our society this is not enough. For others, the hydroelectric system that we rely on for a bulk of our power is another evil that is constantly under attack because of its effect on the salmon supply.

The hydro system is vital, in my opinion, to the Northwest power supply. It produces renewable, carbon-free power year round. The dam system also has the additional benefits of irrigation, transportation and recreation for the residents of Washington State. BPA spends almost one third of its budget (over $600 million) on rebuilding the fish runs every year. If we are to fill in the other 2% of our power supply with other carbon free sources, such as solar or wind power, then we would still have to back them up with a firm source of power that can be there when the sun doesn’t shine or the wind doesn’t blow. If we tear down dams like some would like then the only source of firm power you could use to fill the gap would be gas or coal. Again you would then go back into the debate on the evils of carbon and global warming.

Most of the ratepayers that I have contact with don’t really care about all of the issues that face the environment and the power supply system of the Northwest. Most of the contacts I get are from residents that are having a tough time paying their power bills and want me to find ways to keep their power bills as small as possible. I am sure they care about the fish and the environment but they also care about being able to pay their bills, heat their homes and feed their families. When you tell them that our power supply is 98% carbon free and that over $600 million of BPA’s budget goes to help the fish runs they are astonished that some believe this is not enough and that we should do more. When you tell them that I-937 costs the PUD around $12-million a year for power that we do not need they get mad because they realize that they pay for that every time they pay their bill.

I believe that we need to be good stewards of our environment but I also believe that we need to use science and economics to help protect the ratepayers of Grays Harbor so that they can afford the basic necessities of life.