



CONNECTED

The Newsletter of Cowlitz PUD

Volume 11, No. 4

Check Your Bill – It's Likely to Show a Special Credit

Take a look at your PUD bill this month. MOST customers will see a special one-time credit listed. The size of the credit will vary customer-to-customer, based on electrical usage.

Cowlitz PUD just received a payment of \$14.66 million from the Bonneville Power Administration, our share of \$336 million BPA is returning to Pacific Northwest utility customers. The PUD Board voted unanimously to distribute it immediately to customers in the form of a billing credit.

You will see a credit on this bill:

- ✓ If you had an active PUD account on April 2, 2008 (the day BPA returned the money), and
- ✓ If you were signed up for PUD service for any-or-all of the period from October 2006 to September 2007. The credit is based on electric usage in that 12-month period.

It's a Usage-Based Credit

The PUD's largest electricity users – our 30 industrial customers – will share about 78 percent of the returned funds. That's because they purchased about 78 percent of the power the PUD sold from Oct. '06 to Sept. '07, meaning they were most affected by the BPA overcharge. Because of the size of their credit, each of these 30 customers has been sent a refund check.

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 - A Message From the General Manager

All remaining customers who qualify will see a credit listed on the current bill. That includes schools, churches, restaurants, banks, stores, offices, and of course our residential customers. Based on your usage that credit might be \$500, it could be \$60, maybe \$20 or even 10¢. There may even be cases where the credit is a penny. Since every penny of the BPA funds returned to Cowlitz PUD will be used to benefit customers, there is no minimum credit.

Where did this money come from?

BPA has over-collected \$336 million through wholesale power rates since October 2006, intended to fund the Residential Exchange Program (REP). The REP is used to distribute NW hydro benefits to residential and small farm customers of investor-owned utilities (IOUs) like Portland General Electric.

Last May a federal court ruled that BPA's means of allocating REP costs to public utilities was contrary to law governing such methodology, so BPA suspended the \$28 million monthly payments to the IOUs. But because it cannot change rates without a formal process, it's still collecting that amount through rates. That's why BPA has money to return to public utility customers.

Questions? Call or send an email to:

customercomments@cowlitzpud.org

YOU CAN PAY YOUR PUD BILL ONLINE

www.cowlitzpud.org

Debit or credit card (Visa/MasterCard)

Cowlitz PUD Team to Compete in Lineman's Rodeos



Cowlitz PUD will be well represented in three Lineman's Rodeos this summer in the Northwest. One of the events will be held at Rocky Reach Dam Park near Wenatchee, where PUD Linemen Brad Keith and Paul Wade (in the photo above) and others have competed the last two summers. The rodeos provide our linemen the chance to train with line workers from many states and dozens of other utilities, and to compete in a variety of events that test safety, technique and precision of their line work. The Cowlitz PUD team has placed as high as second in just three years of participating in these events. Our 2008 team will consist of linemen Brad Keith, Dylan Shulda and Derek Huffman, along with line apprentices Ben Morrow and Brian Rakoz.

Please Don't Post Flyers on Power Poles – It's Against the Law

Cowlitz PUD has a favor to ask: Please don't hang signs on power poles. It's potentially dangerous for our employees and it's also against the law. RCW 70.54.090 prohibits attaching signs, posters or other objects to power poles.

Nearly everyday we find signs and flyers for missing pets, garage sales, etc., stapled or nailed to PUD poles. While we understand these are very worthwhile events, hanging a sign on a power pole can create a dangerous situation for PUD line workers. The nails and staples used to hang a garage sale flyer can damage the special protective clothing, boots and gloves they wear, increasing the danger of electrocution.

Working on power lines is a dangerous job. In order to ensure reliable service to all customers, PUD electrical workers must be able to climb power poles safely in all kinds of weather, day or night.

PUD line workers count on your cooperation to assure their safety and to help provide you quality electric service. Thank you in advance for acknowledging this concern and for obeying the law.



What's Happening

LCC Hosting Baseball Championships

May 22-26



Make your plans to attend the Northwest Athletic Association of Community Colleges (NWAACC) Baseball Championships, May 22-26 at Lower Columbia College in Longview.

Cowlitz PUD employees will be there on opening day to help take tickets, assist with concession sales and sell raffle tickets. It's a fun, family event.

Don't miss out on five great days of baseball, featuring the Northwest's top eight teams. Call LCC at (360) 442-2470 for more details and ticket options.

As space is available in Connected, Cowlitz PUD offers the What's Happening column to provide public, non-profit groups with wide interest in Cowlitz County an avenue to promote their activities (on a first-come, first-served basis). Please send your request via email to: whathappening@cowlitzpud.org.

Customer Information Available

Cowlitz PUD's Annual Customer Report and information about electric rates, customer policies and a fuel mix report are available on request or can be accessed on our website.

Commission Activities



March highlights:

- Discussed the manner in which the PUD should return a \$14.66 million interim payment from BPA, for overpayments made to BPA under the Residential Exchange Program beginning October 1, 2006. The Board directed staff to develop a plan to return the funds via a billing credit this spring. (See page 1.)
- Authorized the purchase of a replacement transformer for the PUD's substation at 20th and Ocean Beach Highway. This transformer is required to upgrade the substation from 69kV to 115kV in 2009, to improve system reliability.
- Reviewed the performance of the White Creek Wind Project over the first three months of operation. PUD Director of Power Resources Gary Huhta reported to the Board that the project produced more electricity in December, January and February than had been projected.

Upcoming PUD Board meetings:

Tuesday, April 22 • Tuesday, May 13

These public meetings are held in the PUD Auditorium, 961 12th Avenue in Longview at 2:00 p.m. Please check our website for up-to-the-minute Board agendas, meeting dates and times.

Automated Metering - *Installation of the Next 11,000 Meters Will Start Soon*

Cowlitz PUD will send out letters this spring and summer to 11,000 customers who will have a new automated meter installed in 2008. This includes those in Downtown Longview, the Broadway Addition, Lake Sacajawea area and Olympic addition in Longview. It is also possible that new meters will also be installed in parts of Castle Rock and Kalama later this year.

The PUD's Advanced Metering Infrastructure project was launched in 2007. When completed in 2011 all 48,000 customers will have a new meter that communicates on a real-time basis with computers in the PUD office, via a signal over power lines. Meters will be read automatically from the PUD office and one day you'll be able to monitor your electric usage online and set your monthly billing date.

Will my power go out when you change the meter?

You can expect a 5-10 minute disruption of power during the meter change. When the date is nearing for installation of new meters in your neighborhood, the PUD will send a letter to give you a heads up. The PUD meter technician will knock on your door before performing the meter change-out. In extreme situations, or if we experience an equipment problem, the outage could be longer. If no one is home, we will change the meter and leave a notice at your front door.

If you have a question about automated metering, just email it to us at customercomments@cowlitzpud.org and type "Automated Metering" in the subject line. If you don't have email access, send your question to Cowlitz PUD, 961 12th Avenue, Longview, WA 98632. Please write "Automated Metering" next to the address.

From the General Manager's Point-of-View...

It's clear that many elected officials are ready to enact legislation to address global climate change. These new laws could have far-ranging economic impacts.



Nearly everyday there's a news story about climate change. Even the recent lawsuit asking for protection of sea lions that kill salmon has a climate change twist. How? Keep reading.

Governor Gregoire has signed an executive order addressing climate change and state legislation was passed in 2007 and 2008, with more to come. Washington is one of six western states (and two Canadian provinces) to enter into the Western Climate Initiative to develop regional climate change strategies. The three remaining presidential candidates are saying enough about climate change that I expect comprehensive federal legislation to be adopted in a year or two.

One of the goals of climate change laws is to reduce the use of fossil fuels to produce electricity. A significant amount of electricity generated nationwide comes from burning coal. That's not the case in the Pacific Northwest, where we rely mostly on clean hydroelectric power, our nation's largest source of renewable energy.

Common sense says that anyone convinced that climate change is the pre-eminent environmental threat of our time would also encourage more hydropower. However, common sense does not always prevail.

Your electric bill is 20 percent higher due to the tremendous investment hydro operators have made to mitigate the effects of dams on salmon runs in the Columbia River system. These costs are the result of expensive fish recovery programs and millions of dollars in lost revenue from water spilled past the dams. A loud minority is calling for the removal of four Snake River dams.

The demand for electricity is increasing. Not only does this include new future customers, but also the growing needs of

existing customers (plasma TVs, computers, etc). We are told that conservation and renewable resources (other than hydro) are the answer to meeting new loads AND load growth. Sorry, but that does not pencil out. With population growth we'll need all the conservation and renewables we can develop just to meet the new loads. With hydro capability reduced to help salmon, the only way our industry can meet the growing demands of today's customers is to increase our reliance on fossil fuel electric generation, primarily natural gas. And that means more carbon emissions

Now to the sea lions: On top of the frustrating scenario I've already painted, we have California sea lions in the Columbia River consuming at least four percent of the salmon – yes, the same salmon you are spending hundreds of millions of dollars on each year to protect and increase. Congressman Brian Baird introduced legislation in 2007 to allow states more control in protecting salmon from sea lions.

In March a federal task force voted 17-1 to allow the killing of up to 83 sea lions, known to be killing endangered salmon. The order sets provisions for mandatory attempts at non-lethal methods, and limits the annual take. But as we read in the news a lawsuit has been filed, putting the federal order on hold. So here's what we have:

- A majority of elected officials believe climate change is a significant environmental problem, maybe the biggest of our time. New laws to reduce carbon emissions will significantly impact our economy and way of life.
- We can't maximize hydropower generation, our most plentiful and least expensive source of non-carbon emitting power supply – even though we are already spending millions to mitigate the effect on salmon runs.
- At the same time, California sea lions continue to be allowed to kill salmon.

Some things are hard to understand. But if our future is to include having enough electricity for everyone, at a price people can afford, we better figure this out fast

A handwritten signature in black ink, appearing to read "Brian Skeahan". The signature is fluid and cursive, written over a white background.

Brian Skeahan
General Manager

Contact Information

Cowlitz PUD - 961 12th Avenue
PO Box 3007 Longview, WA 98632
(360) 423-2210 - Toll free WA (800) 631-1131
website: www.cowlitzpud.org
Email: customercomments@cowlitzpud.org

CONNECTED is published by Cowlitz County PUD.
COMMISSIONERS: Buz Ketcham, Ned Piper,
and Mark McCrady
GENERAL MANAGER: Brian Skeahan
EDITOR: Dave Andrew