



Hamma Hamma Bridge



# THE CONNECTOR WINTER 2018/2019

## COMMISSIONER CORNER

### 2018: A Year of Change, Growth, & Planning for the Future

Since spring of 2018, we have made a lot of changes at Mason PUD 1. In May, we replaced the Duckabush Substation transformers and did major upgrades to that old substation that had equipment from the 1950's. We hired a new General Manager, Kristin Masteller, in August. In July, we acquired 32 new water systems from Thurston PUD that were located in our service area. That purchase added about 650 new connections to the water department, taking us to a little over 3000 water customers, or about a 30% increase. After retirements, different staff moving on, and the growth in our water business, we also brought on five new employees in the last 14 months in water, customer service, power, finance and engineering. That's a lot of new faces for a crew of only 24 people.

The PUD is still working closely with the state Departments of Health and Ecology to get the Union Regional Water Systems Plan, (a.k.a. the Union Water Consolidation project) approved by early 2019. The bureaucratic wheels move way too slowly. This project was started in 2015! The plan encompasses six smaller water systems: Union, Highland Park, Vuecrest, Union Ridge, Hood Canal, and Alderbrook. The

consolidation plan/feasibility study was funded with a grant from the Department of Health. We are working with the state agencies to get this approved and moving forward so we can work on the projects listed in the plan and serve our customers.

A Cost of Service Analysis (COSA) for the electric business was completed in summer 2018. A COSA is done to ensure equitability for rate classes and to make sure the rates are set appropriately for our market and size of utility. In spring of 2019, the COSA for the water business will be finished. The goal for the water side is to help consolidate the 70+ water systems into one unified PUD-wide water system, with uniform rates and fees across the entire system, just like our power business. The COSA will also help us determine the amount of money to be set aside each year for reserves; specifically, for the capital improvement plans.

The PUD is a non-profit utility, owned by the ratepayers. The rates paid to the utility go right back into the operations and maintenance of the electricity department and the water department.

It's a privilege to be one of your commissioners and to be able to help



Lineman Tim Brown cutting trees out of line.

manage the utility in a fiscally responsible manner for all of us ratepayers. If you have any questions, please feel free to call any of us directly. You can reach me at (360) 490-1906 or by email at [mikes@mason-pud1.org](mailto:mikes@mason-pud1.org).



Mike Sheetz,  
Commissioner, District 1

# Setting Financial Policy for the Future

On September 1st of 2018, the PUD brought its own treasurer functions in-house. This might not seem like a big deal, but the Mason County Treasurer had been the PUD's treasurer for decades. They held all of the PUD's funds, invested them in the State's Local Government Investment Pool and issued all payables for the PUD. With the hire of a new accountant this year, the PUD's board of commissioners appointed Katie Arnold as the District's official Treasurer. We now control our own investments and reporting.

Both Katie and our external district auditor Michael Wittenberg, CPA, have worked on new financial policies to help strengthen our internal controls, present more transparent financial statements to the board and public, and also help guide the board on setting policy for how much debt the District should responsibly take on, as well as what our targets should be for cash-on-hand and reserve funding. These are important policies to have. They not only help secure the long-term financial viability of your PUD, but they also ensure that we have a plan and are not overleveraging the public's assets. This work helps your elected board of commissioners set a strong financial path for the future.

We recently completed our electric business Cost of Service Analysis (COSA). This COSA provided recommendations to the staff and board for rates. As a public agency, our rates need to be fairly set and cover our costs of doing business. They need to be equitable, so everyone pays their appropriate share and doesn't subsidize a different class of customer. The COSA is simply a recommendation; your board of commissioners still have the authority to set the rates and budget.

We will have the results of the water COSA in the spring of 2019. The goal with water is much the same; make sure our rates are appropriately set. However, an underlying goal is to make our water rates and fees uniform across all 70 water systems. No more varying system development fees or capital surcharges. Everyone pays the same rate across the PUD and it's one universal water system, just like it is for our electrical system. The result of this COSA will be presented at a public meeting. Those are posted on our website. We encourage the public to attend if you can, ask questions, and provide feedback.

The same goes for our electric rate hearing on January 22nd. We will do a

first presentation to the board regarding the rate proposal and investment strategy at the January 8th meeting and then we will hold a public hearing at 1:00 p.m. on January 22nd presenting the final rate proposal before it goes on the business agenda. The hearing will break down the costs of power from Bonneville Power Administration, debt and reserve funding, operations and maintenance, and customer classes. If you can't attend, the information presented will also be on our website under the "Meetings" tab. Please feel free to review and contact us with any questions.

Our commitment to financial stewardship is strong. You deserve to have access to all of the information that's shaping the board's decisions. We are doing our best to improve our reporting, communication and the access. Please let us know if you have any questions or if you have recommendations for better communication of the District's financial reports.



Sincerely,  
Kristin Masteller  
General Manager

## Thanks for coming out to our Customer Appreciation Event and making it our **BIGGEST YET!**



*See you next year!*



# How to Operate a Generator Safely

Each year, hundreds of people die from carbon monoxide poisoning. Most generator-related injuries and deaths involve CO poisoning from generators used indoors or in partially enclosed spaces. That includes the basement or garage, spaces that can capture deadly levels of carbon monoxide.

**Always place the generator at least 20 feet from the house** and away from doors and windows. Use a working, battery-operated carbon monoxide detector at the same time as one more layer of defense against making an innocent but potentially deadly mistake.

**Don't run a portable generator in the rain.** You can buy tents for generators that keep them shielded but well-ventilated. Before refueling, turn off a gas-powered generator and let it cool. Gasoline spilled on hot engine parts can ignite. Allowing the engine to cool also reduces the risks of burns while refueling.

**Stock up on extra gasoline and store it properly.** When you think you'll need to use the generator for an extended time, you'll want extra fuel on hand. Just be sure to store gas only in an ANSI-approved container in a cool, well-ventilated place. Adding stabilizer to the gas in the can will help it last longer, but don't store gasoline near any potential sources of heat or fire, or inside the house.

**INSTALL A TRANSFER SWITCH!** Portable generators can pose a severe hazard to our line workers and your neighbors. This critical connection can cost \$500 to \$900 with labor for a 5,000-rated-watt or larger generator. A transfer switch connects the generator to your circuit panel and lets you power hardwired appliances while avoiding the glaring safety risk of using extension cords. Most transfer switches also help you avoid overload by displaying wattage usage levels.

If you don't yet have a transfer switch, you can use the outlets on the generator providing you follow certain precautions. It's best to plug in appliances directly to the generator. If you must use an extension cord, it should be a heavy-duty one for outdoor use, rated (in watts or amps) at least equal to the sum of the connected appliance loads. First check that the entire cord is free of cuts and that the plug has all three prongs, critical to protect against a shock if water has collected inside the equipment.


Please call an electrician if you have additional questions about how to safely operate or wire your generator.

**Thank you for helping to keep our line workers safe from electrocution.**




## LET'S COMMUNICATE!

We have an email notification list for scheduled outages but if you'd like more frequent info during an outage, follow us on social media.

 "Like" us on Facebook @MasonPUD1 to get timely updates.

Even if you don't have a Twitter account, you can still get the updates or "tweets"- on the PUD's website at [www.mason-pud1.org](http://www.mason-pud1.org), the Twitter feed is posted on the home page. OR you can have the tweets sent to your phone as a text message by texting the words:

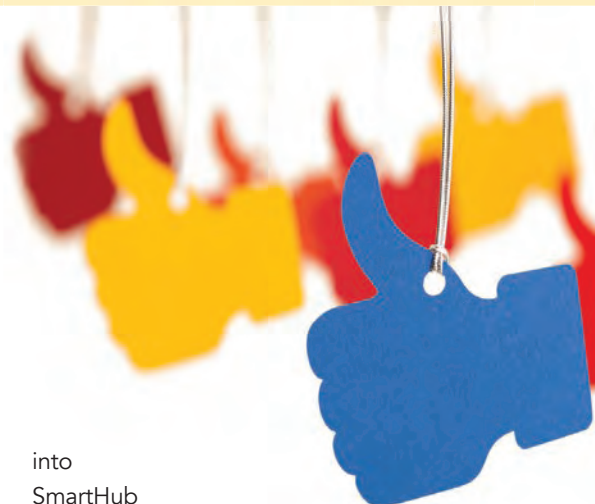
 FOLLOW @MASONCOUNTYPUD1 to the number 404-04.

Please remember that we don't monitor our social media pages 24/7. If you are out of

power and you don't see any information posted, you have to call in your outage in to our after-hours call center. The call center process is how our crews get dispatched to get the water and power back on.

In 2019, we will begin transitioning the email notification list over to our Messenger program that's built into our customer information software. We haven't been able to isolate messages to customers in a particular area or distinguish between water and power customers. With our new Messenger program, we can email and text just the group of customers impacted by an outage.

In coming months, we will provide instructions on how to make sure your account is up to date with contact information. You may log



into SmartHub to update your email and cell number (if you want texts from us too). If you are not on SmartHub, we can help you set that up or update your account for you. Just give us a call and we'll be happy to assist!

# CANAL COMFORT FUND NEEDS HELP



As of the end of 2018, we have sent the last of our Canal Comfort funds out to Jefferson County and Mason County's Community Action Councils. Jefferson County only has \$543 available, while Mason County has \$3,900, until more funds are raised.

Past practice has been to apply donations to the CAC in the county that the donor lives. We are reaching out to our donors to ask them their preference between keeping the practice the way it is, or evenly dividing the donations between both counties.

If you are able, please consider rounding up your payment and applying the change to the Canal Comfort Fund. Every little bit helps (and is tax-deductible)! Your neighbors in need will greatly appreciate it.

THE BOARD OF COMMISSIONERS regularly meet the 2nd and 4th Tuesday of each month at 1:00 p.m. at the PUD 1 office in Potlatch. For more information on meetings, agendas and minutes, please visit [mason-pud1.org/about/meetings/](http://mason-pud1.org/about/meetings/).



[www.mason-pud1.org](http://www.mason-pud1.org)







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## 2017 FUEL MIX SUMMARY

	HYDRO	89.52%
	NUCLEAR	8.86%
	COAL	0.63%
	NATURAL GAS	0.84%
	BIOMASS	0.08%
	OTHER	.07%



# Happy Holidays!



**From our family to yours!**

### MASON COUNTY PUD 1 COMMISSIONERS:

#### District 1

Mike Sheetz ..... (360) 898-7934

#### District 2

Ron Gold ..... (360) 490-1560

#### District 3

Jack Janda ..... (360) 490-1800

#### General Manager

Kristin Masteller..... (360) 877-5249