



Overlooking Hood Canal

THE CONNECTOR SUMMER 2019

COMMISSIONER CORNER

THE CLEAN ENERGY BAR HAS BEEN SET *Can we achieve it?*

Embracing both hydro and nuclear generation sources is a critical step in creating an affordable, sustainable, carbon-free energy portfolio for our state. These technologies have been working hand-in-hand with other generation sources for decades to power our country. Now our state, with our abundant hydro resources and a nuclear energy powerhouse sitting in our backyard, combined with recent passage of Senate Bill 5116, is uniquely situated to lead others in the fight against climate change.

The carbon reduction dialogue went off track years ago with a seemingly singular focus on powering our future through renewables or perhaps "clean" natural gas. Studies tell us that no more than 25 percent of the grid can be efficiently powered by renewables. After that, our electric bills rise exponentially as the fulltime resources – required when the wind doesn't blow and sun doesn't shine – sit idle to accommodate an overbuild of intermittent wind and solar. And natural gas is not clean: two natural gas plants equal the carbon emissions of one coal plant. As

energy demands rise, a build-out of natural gas plants would nullify the environmental benefits of closing coal plants.

To combat climate change we must build, develop and sustain truly clean, fulltime and renewable generation sources that integrate well with each other. Our state's new clean energy standard places us on the path to success. It's carefully crafted in a manner that acknowledges that renewables alone cannot get the job done. We must have access to fulltime energy, and those fulltime resources must generate carbon-free electricity. The only two available options are hydro and nuclear.

Although hydro is fully built out, we'll certainly need to maintain existing dams for the benefit of our economy and to have a chance at meeting the provisions of the new law. This leaves nuclear as the only remaining clean, fulltime and reliable generation option to meet increasing demand. Despite prevailing myth, nuclear

is cost-competitive with renewables once federal subsidies are taken off the table. The law Governor Jay Inslee signed last month will further increase the environmental and economic desirability of nuclear energy. The law sets a stage in 2045 in which Washington will have a 100 percent clean and diverse energy portfolio of hydro, nuclear, wind and solar.

With proper planning we'll get the percentages of each resource right to create a cleaner environment and sustain a skilled job market and strong economy, while ensuring our state continues to enjoy the absolute lowest electric bills in the nation. That's what PUD 1 and public power are doing in Washington – powering our future through excellence in energy management.



Jack Janda, Commissioner District 3

Columbia Generating Station, just north of Richland, WA



PUBLIC DOLLARS SHOULD BE SPENT IN AN IMPACTFUL WAY

At their June 11th commission meeting, our PUD 1 board of commissioners passed a resolution in support of the federal Columbia River Power System and the four lower Snake River dams. The reason for this is that our utility, along with the region's public power community at large, realize that the lower Snake River and Columbia River dams must stay in service if our region wants to ensure that we have reliable baseload energy to power our communities during the winter and during peak energy times, and to ensure that power rates are affordable for residents.

I know that customers might be tired of hearing us beat the hydropower drum, but we do it out of a sense of urgency. Our state has set a clean energy rule that we have to achieve by 2045. We need hydropower to achieve it. Our state has also earmarked money for a task force to study the impacts of the removal of the lower Snake River dams. Achieving a 100% clean energy standard cannot happen without the dams and removing the dams will not single-handedly save our salmon and orcas. We must have a strategic, multi-pronged approach for both of those goals.

Hydro Is Our Carbon Free Backbone

The lower Snake River dams produce over 3,000 megawatts of carbon free power, with the entire Federal Columbia River Power System (FCRPS) amounting to the largest source of clean, renewable electricity in the Pacific Northwest. Without this hydro-powered backbone on our energy grid, our region would experience near-constant brownouts and blackouts when the sun isn't shining and the wind isn't blowing, and when the west coast is at peak demand for energy consumption. The loss of hydropower negates any efforts to achieve a carbon-free portfolio in Washington State by 2045.

We Can't Afford The Alternatives

The region would need to compensate for the lack of hydropower baseload with other baseload-capable energy sources like coal and gas fired power plants and nuclear, the first two being high carbon emitters. Bonneville Power Administration (BPA) estimates the loss of hydropower generated by the four lower Snake River dams alone would increase power costs by \$274 - \$372 million each year, with

those costs being borne by customers of the BPA, such as Mason PUD No. 1 customers. Additionally, the increase in CO2 emissions from the loss of the clean hydropower will result in up to 2.6 million metric tons released into our atmosphere every single year moving forward.

The fallout costs continue to climb for the lack of shipping and transportation that the FCRPS provides, the loss of irrigation for our northwest farming communities, rebuilding and reinforcing transmission systems, the loss in revenues to support fish and wildlife, and the overwhelming expense of trying to build out enough solar and wind generation to fill the energy gap, which would escalate into the billions of dollars.

We Need The Continued Investment In Fish And Wildlife Habitat

BPA also estimates that it will cost between \$1.3 and 2.6 billion to breach the four lower Snake River dams. These are tremendous amounts of federal funds that could be used to achieve better outcomes for fish and wildlife through other means like funding culvert replacements, saltwater habitat restoration projects in the Puget Sound and Pacific Ocean, stream habitat restoration, etc. BPA also reports that the dams are "on track to achieve standards of 96 percent average dam survival for young spring chinook and steelhead migrating downstream, and 93 percent for young summer migrating fish". This is largely due to the \$900 million that is invested annually by Pacific Northwest public power ratepayers through their power bills. Roughly 25% of every dollar is spent toward fish and wildlife habitat restoration at the FCRPS dams. Fish and orca survival will depend on the coordination of multiple factors in addition to fish passage at dams. We need to clean up our waterways and coast lines, we need to curb the aquatic noise from water traffic that is scattering the orca's food sources and disrupting their feeding. We need to penalize polluters both in the U.S. and in Canada who dump raw sewage and pollutants into our water. We need to do more to protect salmon from the explosion in population of natural predators and overharvesting by humans. Again, it will take a multitude of coordinated activities to get where we need to be.



BPA transmission line on Sunnyside

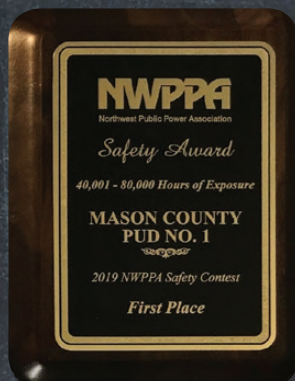
Public Dollars Should Be Spent In An Impactful Way

Responsible management of the federal hydro system needs to be one component of the solution to ensuring fish runs are successful and the food chain is stable. Removing the dams makes for a good slogan on a t-shirt, but it does not make good economic, environmental or energy sense. It is counterproductive to the strides made in energy and environmental policy on both a state and federal level. Our region cannot sustain the environmental and economic losses of the removal of the dams. While the examination of dam removal for facilities that have outlived their useful life continues to be a viable environmental strategy, the use of public tax dollars to fund a task force and study for the dismantling of our federal hydro system is a waste. Those monies could be applied toward real, viable comprehensive solutions for ensuring the longevity of our salmon, orcas and wildlife habitat. Our commission meets the 2nd and 4th Tuesdays of the month. If you want more information on the PUD's position on hydropower, you're always welcome to attend and discuss. In the meantime, you can read more about the statistics that I've cited by visiting Northwest River Partners' website and click on their "Data & Resources" tab.



Kristin Masteller
General Manager

SAFETY



PUD 1's employees were bestowed with first-place honors for safety by both the Northwest Public Power Association, and the national American Public Power Association, for our size of utility which is determined by the number of total exposure hours on the job. The PUD had no reportable injuries or accidents or time loss incidents for 2018. "The goal is always zero accidents and injuries. Sometimes we make that goal, other times we don't, but regardless that's what we strive for every day", stated Darin Hall, director of operations. "Our employees have really stepped up their approach to safety and building a safety culture at the PUD. We work to improve it every day, after every near miss, after every suggestion and critique. I'm very proud of them for working so safely in a dangerous field."

★ ★ CUSTOMER ★ ★ APPRECIATION EVENT

Join us to celebrate YOU, our customers, and kick off Public Power Week!

Friday, September 27
11am to 2pm

Burgers, Soft Drinks,
Ice Cream, LED Light
Bulbs and more.

**PUBLIC
POWER
WEEK**

Powering Strong Communities

PUD 1 DISTRICT OFFICE
21971 N. Hwy 101 in Potlatch



FREE



WATER CONSERVATION

in effect July through September

Addresses ending in ODD numbers

1 3 5 7 9

Water on
ODD days of the month.

Addresses ending in EVEN numbers

0 2 4 6 8

Water on
EVEN days of the month.



During the months of June through September your cooperation is very appreciated and also imperative to help us avoid pressure loss and introduction of bacteria into the water supply. When that occurs, we have to put water systems on a Boil Water Advisory, chlorination and a rigorous testing process until we get confirmation that the water is safe to drink.

Thank you for helping us be proactive and for reducing peak water usage.



Congratulations!



Congratulations to **Shiane Saeger** (20 years) and **Rooster Ogg** (5 years) for your service anniversaries with PUD 1. Thank you for your years of service to the customers and to the PUD. We appreciate you!

GO PAPERLESS AND GET FIVE BUCKS BACK!



Going paperless means that instead of receiving a mailed paper bill, we will send you a bill via email. You can sign up through our secure SmarHub Payment page at www.mason-pud1.org. From there, you can view your bill, make payments and manage your account all online, 24/7, with no paper or postage.

Sign up by September 30th and a \$5 credit will apply to your October statement.

Existing paperless customers will also receive the \$5 credit. You must remain paperless for one year to keep the credit to your account.



OPERATIONS Report



Well pump repair

Our power and water crews have hit the ground running this summer, taking advantage of the dry weather to get some projects completed. With the addition of our temporary helpers, we can stretch our construction work out longer and get more done. The electric crews have been busy converting troublesome spots from overhead to underground and replacing failing sections of underground in areas like Point Whitney and the Dosewallips. Soon we will begin tree trimming in neighborhoods to help reduce tree and limb-related outages.

We also took our T3ba'das Substation offline to have warranty service work performed on it. This ensures that all the controls and functions on the sub work the way they're supposed to and helps keep it running in top shape. We tried to isolate the outages to about 45 minutes in the late evening to switch customers over to other subs and we did pretty well hitting that target for most customers. We know it's inconvenient to lose power and appreciate your understanding and patience.

The water crew has been trying to balance their time between dealing with emergencies, like the failed well pumps at Viewcrest Beach, Alderbrook and

Lake Arrowhead, and getting some main line replaced along Alderney and Dalby Road in Union. This is in addition to the routine maintenance, service work and small repair projects to pump houses and general upkeep on our 72 systems. We're moving at a fast pace and getting a lot done.

Our finance department is working on grant applications to help expedite some of our larger water main replacement and construction projects that we don't yet have the manpower, time or budget to complete. These grants will allow us to hire contractors to come in and knock out a few large items in our work plan. Until that occurs, we will continue to work as hard and as quickly as we can to get to those important items.

Darin Hall
Director of Operations



Main replacement on Alderney

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/.



www.mason-pud1.org

Find us on



Follow us on



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