

MANAGER'S ARTICLE

Mαking Strides on the Hood Canal-101 Broadband Project

PUD 1 and Hood Canal Communications have made quick progress on our Hood Canal-101 Broadband Project. Magnum Power has replaced the undersized poles along U.S. Hwy 101 and side roads. Along the way, they have relocated the power lines and telecom lines to the new poles. They also have worked with PUD staff to give our customers a heads up a day or so before the line transfers. They have done a tremendous job and should be wrapped up by the end of July.

MLS Enterprises has also begun stringing the fiber along the pole line behind Magnum. While we have seen a lot of progress in May, June, and July, we unfortunately will have a slowdown period due to supply chain issues. HCC is waiting for several orders to be filled by their suppliers before they can actually start connecting homes and businesses to the new fiber.

They are also working to determine who will be covered in this first pass that the grants have paid for. They'll put that information out to the public and call for customers to start signing up on their website when it's time to do so. Until they put out that notice, we ask that everyone please be patient. HCC's staff is not ready to answer all of your questions just yet or help you get signed up. They will be soon!

For the customers who are not included in the first pass, don't fret! If you're interested in service, HCC will take your information as they coordinate a plan to connect more residents moving forward. This could be through customer line extensions or possibly future grants. They can discuss those details with you later this year when they ask you to contact them for service.

At the end of June, I took our Mason County representative, Commissioner Kevin Shutty, for a drive along the project area so he could see the ARPA funding being put to work. It's nice to be able to show the work getting done and how impactful that funding is to our community. I want to also thank Commissioner Sharon Trask for meeting with me last fall to discuss the Agate Beach ARPA project in her district, and to the entire County Commission for unanimously voting to fund them and support our grant application to CERB for the PUD's portion of the broadband project. These partnerships are how we get things done for the public we all serve! I hope to continue to collaborate on future projects in coming years.



Kristin Masteller General Manager





We usually refrain from taking up a lot of real estate in our newsletters on huge, complex issues. It doesn't do them justice to try to fit them into a pamphlet. The issue of the Lower Snake River Dams (LSRDs) is an exception though. For years, our PUD has tried to communicate to our public ratepayers that the LSRDs are an essential source of clean, reliable, renewable and affordable hydropower generation for the Hood Canal and for millions of households in the Northwest. PUD 1 receives over 85% of our energy from hydropower. The four lower Snake River dams - Ice Harbor, Lower Monument, Little Goose and Lower Granite – are a part of the Federal Columbia River Power System, the largest source of clean electricity in the region. These dams alone produce well over 2,000 MW of sustained winter peaking capacity of clean, reliable, carbon-free energy.

"PUD 1 receives over 85% of our energy from hydropower."

There is a disturbing movement underway to devalue the dams and undermine their importance in our region. The information that is being pushed out to the public has been less than forthcoming, even from our elected leadership. PUD 1 takes exception to recent Inslee-Murray Dam Breaching Study for many reasons: it's re-doing a study that experts just concluded after a several year process with significant public stakeholder input. They bowed to political pressure from special interest groups and did a poor effort- a biased and unthorough review which attempts to push alternate themes to the public with a lot of soft words like "may" and "could" instead of conclusive scientific and evidentiary data on the impacts of dam breaching. This study was a waste of taxpayer money that could have been applied at the

local level on projects to improve stream flows and salmon habitat, boosted our local hatcheries, supported culvert removal projects and water cleanup projects in the Puget Sound and Hood Canal.

Regardless of where you fall on this issue, you elected us as your representatives, and it is our job to do the deep dive on issues that impact your utility services. We are waist-deep in these issues because they impact our ability to keep your lights on, let alone do it in a way that's affordable for you. We would like you to have all the (verified!) facts at your disposal before you make a decision on where you stand, and then regardless of that stance, we encourage you to provide public comment and make your voice heard to your state and federal elected leaders.

Here are some facts about the LSRDs that we want to share with you:

- 1. The risks of extreme electricity prices and blackouts are the highest they have been since the Western Energy Crisis took place 20 years ago and removing the LSRDs dramatically increases the risk of soaring prices, higher carbon emissions, and blackouts. We do not want a California or Texas energy disaster here in Washington State.
- 2. During power scarcity events, renewable (wind & solar) resources tend to underperform. Northwest wind resources only generated 15.5% of their typical generation output during recent scarcity events. Solar only works when the sun is shining. Battery storage technology is not advanced enough to make renewables reliable enough to replace baseload power like hydro.
- 3. Electricity imports can no longer be relied upon. Imports into the Northwest played an important role in maintaining reliability during the extreme events over the last two years. However, these imports principally came from east of the Cascades, regions that will experience

- significant coal retirements in the coming years and not have surplus power to sell to us.
- 4. Extreme weather events that drive acute electricity shortages will become more common due to climate change.

 The loss of generation that would result from breaching the LSRDs or increasing the spill requirements would mean a significant loss of reliability when it is needed most- during peak heat and cold periods.
- 5. During the recent extreme events in early 2022 and the summer of 2021, the LSRDs played an irreplaceable role in avoiding or reducing the magnitude and duration of the blackouts in our region. There was no evident alternative source for the electricity supplied by the LSRDs. Blackouts occur when there is not enough electricity to meet consumer demand. During the recent extreme events, the LSRDs supplied as much as 6% of total regional electric demand. Without any clear existing sources of replacement power, removal of the LSRDs puts the Northwest at a very high risk in future electricity reliability events, with these disruptions having rippled impacts throughout the West.
- 6. LSRDs reduced the magnitude and duration of blackouts outside the region too. The LSRDs help out the entire west coast when they're called upon. During the California blackouts on August 15, 2020, the LSRDs produced 1,944 MW of generation and that energy was sent down the transmission lines to California to help them keep their grid stable. Their absence would have led to worsening the magnitude and duration of blackouts at that time.
- 7. Replacing the LSRDs will take decades, and available technological options cannot provide the same combination of low cost, reliable and flexible attributes. While the draft Murray-Inslee report suggests breaching might be delayed, the process of identifying and building replacement resources, obtaining federal funding, siting, permitting, securing equipment, and constructing transmission is likely to take decades. For example, efforts to build the Boardman to Hemingway transmission line in the Northwest are going on 20 years -without a single shovel turned.
- 8. Removing the LSRDs will make the transition to the clean energy goals more difficult. The current Northwest renewable targets will likely not be met

until the 2040s. Natural gas will likely need to replace generation of the LSRDs in the near term, adding 3.5 million metric tons of carbon per year, roughly 8% of Washington's 2030 carbon emission limit and 13% of the 2040 target. Even if the LSRDs are replaced with wind and solar, there will be no net reduction in carbon emissions.

The information these dam removal groups are also sharing about fish survival rates are often inaccurate. Fish mitigation efforts are getting results: survival of both juvenile and adult fish is comparable to survival rates in free-flowing rivers in the region, and adult returns regularly exceed pre-dam levels. The uncomfortable reality is that over-fishing originally decimated fish populations, and climate change poses a persistent and pervasive threat to all west coast salmon stocks. Ironically, the report calls for removing hydropower projects that fund nearly \$1 billion for fish mitigation and combat climate change. Our PUD 1 representatives sat in on a presentation by a marine biologist who had zero stake in the dam removal debate. She was just a scientist on a team that was studying salmon mortality along the west coast. Her published, peer-reviewed findings showed that salmon populations declined at nearly the same rate all along the western seaboard in both dammed and free flowing rivers. There's an overwhelming combination of morbidity drivers that are causing their decline. It was a fascinating and sobering presentation, and it solidified for us that we can't afford to support breaching such important and valuable infrastructure that, in the end, won't have a meaningful impact on fish survival.

As I mentioned earlier, the U.S. Army Corps of Engineers, Bureau of Reclamation and Bonneville Power Administration already went through a lengthy Environmental Impact Analysis, and that decision of record was ratified in 2020. This study was conducted by engineers, scientists and energy professionals, and they heard from thousands of environmental groups, state agencies, cities and counties, farmers, tribal members, energy sector and utility representatives, fishermen, port districts, and citizens.

They concluded that removing the dams will:

- double the risk of region-wide blackouts
- add an additional 3 million metric tons of carbon to the atmosphere each year from fossil- fueled electricity
- increase the region's electricity costs by \$800 million a year and the Bonneville Power Administration's power costs by

- 50%, which could increase monthly energy costs at our homes by up to 25% or more
- result in the loss of \$540 million per year in regional economic productivity
- result in the loss of 4,900 jobs as a result of higher electricity costs
- reduce social welfare by \$458 million annually from the loss of irrigated land and farm laborers
- add 79,000 MORE semi-trucks to the road each year

We all want to see salmon avoid extinction. To do that, we need a holistic approach to combating climate change, improving the health of our oceans and waterways, stop overfishing, and start serious predator control by reducing the explosive population of sea lions on the mouth of the river. These things, along with continued investments in fish passage and fish habitat, will help continue the survival of fish on the Columbia and Snake Rivers. It's possible that one day the infrastructure will have outlived its useful life or that energy resource technology will advance far enough that there will be truly viable ways to replicate the baseload hydropower. But any viable plan must also have a pathway to replace the other benefits of irrigation that helps feed our nation, and flood control for our citizens that live along the cities on the waterways, and the barging of our products to ports and international waters. When that day comes, we will support the measured and collaborative plan by subject matter experts in the energy and engineering sectors. We cannot support an unrealistic and unreasonable plan developed by special interest groups who refuse to acknowledge the science and have taken a "win-at-all-costs" position. That's bad public policy and we won't support that.

I hope you will make your voice heard on this issue, no matter if you agree or disagree with the assessment I've provided here. Take a minute to do so in an easy online form that sends your message directly to Senator Murray and Governor Inslee's offices: https://secure.everyaction.com/QmoPXvGNUUuD04QB2JiiZQ2. While their official comment period on their study will have passed by the time this newsletter is printed, it's never too late to make your voices heard on issues that are important to your lives.



Jack Janda, Commissioner, District 3

COMMERCIAL LIGHTING REBATE PROGRAM

Whether you are building new construction or looking to upgrade, PUD 1 can assist commercial customers in taking the first step towards energy efficiency.

Unlike residential services, commercial buildings require more energy usage when it comes to heating, cooling, and lighting, which can cause strain on our power grids during peak times of usage in extreme heat or cold events. It can also lead to high monthly power bills for the business. To support lowering your energy usage, PUD 1 offers HVAC and indoor/outdoor lighting incentives.

Choosing an energy efficient HVAC system is a simple and cost-effective way to heat and cool your commercial building. Upon qualification, you may be eligible to receive \$800 to \$1,000 in HVAC incentives through the PUD. To be considered for this program, a licensed contractor is required to install a BPA-qualified commercial product. Once the project has been completed and the required documents submitted to our office, we will notify you as quickly as possible on the status of your rebate, helping you maximize what you are able to receive through the program.

If you are taking the step to becoming energy efficient and improve the comfort of your building, why not think about upgrading your lighting as well? Making the switch to LED lighting is one of the best ways to reduce energy usage in commercial buildings. By partnering with a Trade Ally Network field specialist, you will be scheduled for on onsite walk-through which will then determine if your project is eligible and outline the process of upgrading.

After the initial visit, a summary of the specialist's findings will be provided, including an overview of the estimated annual savings and costs. Installing and/or upgrading energy efficient products will not only reduce expenses but also save energy usage and help combat climate change.

If you are ready to explore how your business can benefit from these programs, would like help finding a licensed contractor, or have questions regarding commercial incentives, please contact our office at (360) 877-5249.



Trisha Martin Customer Service & Conservation Representative

WATER SYSTEMS PROJECTS

The beautiful warm weather is upon us, which for the water department, means it time to get our construction projects completed! Spring and summer are our best opportunities to knock off some of our strategic plan items. The dry ground allows our operators and contactors to work in open ditches with minimal headaches. During the semi-dry months our water department works on other projects. Here is a list of what has been going on for this year.

PROJECTS COMPLETED SO FAR IN 2022

- Canal Mutual: extended the mainline off N. Viken Lane to accommodate for additional water connections.
- Hamma Ridge: replaced two PVC tanks that had years of sand build up in them. The building the tanks are housed in was rebuilt to accommodate two new, taller PVC tanks.
- Highland Estates: installed meter for water mitigation for our water right.
- Mountain View: replaced a section of mainline that has had many leaks repaired.
- Union: replaced a section of mainline along State Route 106, in Union just east of the Wondervue condominiums.
- **Vuecrest:** installed reservoir fill line for future reservoir and did road upgrades.

PROJECTS IN PROGRESS

- Agate Beach: Phase 2 Reservoir and Booster Station design is complete; DOH will be reviewing. Once DOH approves the design, we will go out to bid to for construction. Going out to bid will happen sometime next year.
- Arcadia Estates: replacing mainline at the end of E. Picadilly Dr. Backup generator is being installed.
- Bellwood: backup generator is being installed.
- Lake Arrowhead: currently in design of manganese removal treatment. The design is almost complete and will be submitted to DOH for review and approval, before going out to bid for the installation of the treatment.
- Shadowood: currently in design of a new reservoir, booster station, and manganese removal treatment.
- Vuecrest: currently in design for new reservoir and booster stations.

UPCOMING PROJECTS

- Lake Arrowhead: replacing mainline along Quilayute Trial, Colville Trail, Skokomish Trail, Tulalip Trail, and Quinault Trail.
- Tiger Lake: rebuilding well house and
- Union: mainline replacement along Main Street

We sure have gotten a lot of projects completed, ongoing, and in the works for the first part of the year. The projects are funded through a combination of DOH grants and low interest loans, ARPA infrastructure grants, and PUD general fund reserves. As a Mason County PUD No. 1 rate payer, your current base charge helps pay for these projects that aren't funded through grants. Some of the projects our water techs are able to complete in-house and some are put out to bid, depending on scope and state public works requirements.

Thank you to Mason County Commissioners Sharon Trask, Kevin Shutty & Randy Neatherlin for funding several of our water projects through the ARPA grant process. Agate Beach and Vuecrest projects would not be able to happen without those grant funds.

For a small water department, this may look like an overwhelming number of projects but this is what we strive for: finding ways to provide YOU with the safe, reliable drinking water and the best service possible!



Brandy Milroy Water Resource Manager



oin Us September 30th

11a.m. to 2p.m. · 21971 N. HWY 101 IN POTLATCH



and Olympic Mt. Ice Cream

Celebrating Public Power Week from the safety of your vehicle at our drive-thru event



THE BOARD OF COMMISSIONERS regularly meet the 2nd and 4th Tuesday of each month at 1:00 p.m. Meetings are now held both in person and remotely. The call-in instructions for the public are posted on the PUD website along with the meeting packets. For more information on meetings, please visit mason-pud1.org or call the PUD office.



www.mason-pud1.org

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