

CONNECTOR SPRING 2023

COMMISSIONER CORNER

Nuclear Must Be Part of the Energy Solution as the PNW moves 100[%] Carbon Free

When it comes to energy, discussions over the past few years focused on reductions: how to curtail carbon emissions, reduce reliance on fossil fuels and lower energy consumption and demand. Washington, Oregon and California, as well as other states around the country, have passed numerous new laws intended to decrease greenhouse gas emissions. Yet, as state mandates move us away from fossil fuels, our ability to reliably supply electricity is increasingly at risk. It is imperative we shift our focus to adding new generation from clean energy resources capable of keeping the lights on for decades to come.

Washington state is approaching the first milestone required by the 2019 Clean Energy Transformation Act, which mandates 100% carbon-free electricity by 2045. In 2025 coalfired power plants can no longer operate in the state, and electricity imported from out-of-state coal plants is subject to severe financial penalties. Even now, before the "Coal Elimination Standard" takes effect, we are already seeing warning signs that our electric system is in trouble. In a recent analysis of all northwest utility integrated resource plans, the Pacific Northwest Utilities Conference Committee (PNUCC) found the northwest region will face a 5-gigawatt energy shortfall by 2027-2028, increasing to

over 8 gigawatts by 2031-2032.

The problem we face in the years ahead is how to replace the power generated from coal and natural gas plants with electricity generated from carbon-free energy sources. For a long time, proponents of eliminating fossil fuels have claimed wind, solar and storage can fill the gap. While renewables certainly have a role, their shortcoming is an inability to generate power when its needed, rather than when the wind blows and the sun shines. Coal and natural gas plants can be switched on to meet increasing demand, wind and solar cannot.

Besides hydropower, which acts as a giant battery and dispatches power when its needed, the only carbon-free resource capable of producing power on demand is nuclear energy, yet not enough progress is being made to deploy new nuclear energy technologies. Nuclear energy is already our country's largest source of zero-carbon electricity, and Washington state gets almost 10% of its power from the northwest's only nuclear power plant, the Columbia Generating Station. Moving forward, more nuclear energy will be needed to integrate with renewables and balance the grid. Emerging nuclear energy designs, such as advanced and small modular reactors (SMRs), are fast approaching commercial readiness and are an ideal source of power for Washington state. SMRs are designed with safety and efficiency in mind and these innovations lead to economical, flexible, and scalable nuclear power plants. SMRs possess passive and inherent safety features that prevent the release of radioactive materials in the event of an accident; higher efficiency and energy output resulting from greater fuel utilization; and modular, standardized designs allowing new reactors to be added over time to meet new electricity demand.

Duckabush River

It is time to start planning and building new clean energy generation to replace what will be lost and ensure we have reliable, affordable supplies of electricity. No single utility can solve the challenge facing us, which is why Mason PUD 1 is working with Energy Northwest and other forward-looking utilities to fully examine the potential for new nuclear energy to meet our state's future clean energy needs.

> Jack Janda Commissioner, District 3





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DOS AND DON'TS OF THE PUD Water Meter:

<u>DO</u> call 24 hours before needing your water service shut off

Need water shut off for a couple of hours or a couple of months? Call and schedule it!

<u>DON'T</u> shut your water service off yourself

If you have a repair that needs to be done and requires the water to be shut off, call us and we'll send someone out to do it for you.

Our water techs can usually respond within an hour during normal business hours and even for emergencies during non-business hours. The water tech will be out as soon as possible. Unless there is damage caused by the homeowner or contractor by not calling for locates on nights and weekends, there is usually no additional cost; this is built into your current monthly basic charge.

If a meter was broken or damaged by someone who is inexperienced on how to properly use it, the cost to replace the meter is passed onto the homeowner or contractor that damaged the water service. The water department has had several recent water services shut off by contractors or neighbors when trying to repair a leak on a service line or trying to troubleshoot water outages. Please call the PUD instead. All new services are now installed with customer shut off valves just past the meter to allow customers to have their own access. The shut-off consists of a hand wheeled gate valve in a tube. We encourage existing customers to install these on their side of the meter if they don't already have one.

WATER PROJECT UPDATES

Mason County PUD No. 1 strives to be able to meet customers' needs through mainline extensions and water storage to serve vacant properties, and mainline replacement for old leaking water lines to reduce the water systems distribution leakage. Here are some projects that we have been working on or are ready to start soon:

PUD 1 CREW PROJECTS:

Alderbrook:

90

• E. Westwood Lane W. is complete. Customers are connected to the new main line. The water techs replaced 600' of AC pipe with 6" PVC and installed a new fire hydrant.

Union:

• E. Union Heights Place S. will have a mainline extension towards Skyview Drive on our Union Ridge water system. This will allow us to move a couple of water connections from Union Ridge water system onto the Union water system. Union Ridge is currently fully connected and has a waiting list, so moving a couple of connections to the Union system will open connections on the Union Ridge water system. The project will start in May and should be completed in June.

GRANT/CONTRACTOR PROJECTS:

- Agate Beach Phase 2 bid was awarded, and construction should begin this summer. This project is funded through our ARPA grant. We received an appropriation through the state operating budget for Phase 3, which will be out to bid soon and complete this storage project so customers on the wait list can connect.
- The design for **Vuecrest** Phase 2 is nearly complete and that project will be out to bid late summer/early fall. This is also an ARPA grant project that also received funding from the state capital budget to complete the construction of the water reservoir and booster station.
- **Ripplewood** mainline replacement is in design phase and will be out to bid late fall/early winter. This is paid for with a 50% Drinking Water State Revolving Fund (DWSRF) grant and 50% state capital budget funding.
- Shadowood reservoir, booster station, and iron and manganese removal designs are currently being reviewed by DOH. This should be out to bid late summer. 50% of this project was funded

- The next phase of the 2nd St mainline extension is scheduled to begin in August. Last summer, the water crew installed 6" water main from E. State Route 106 up E. Main Street to the south side of 2nd Street. The mainline extension will allow for the vacant properties to connect to the water system, some of which have been waiting for a connection for over 15 years.
- On E. Alderney Street and E. Tacoma Street, a 6" mainline will go from the intersection down to E. 5th Street, down the west side of E. 5th Street and connect to the existing 6" mainline at the intersection of E. Port Towsend Street and E. 5th Street. This new water line will replace the old leaking 6" AC pipe that runs through the Union Community Park and the 2" PVC along E. 5th Street. This project is slated to start in June and should be completed by August.

by a DWSRF grant. We are seeking grant funds to complete the rest of the funding to avoid having to take out the DWSRF loan.

- **Canal View** in Eldon mainline replacement design is at 10%. 50% of this project was funded by a DWSRF grant.
- **Bay East** water system received an 85% grant and 15% loan from DWSRF for iron and manganese treatment. This design will begin in 2024.
- Lake Arrowhead iron & manganese treatment project is 100% funded by a DWSRF grant. It has been awarded and will begin in June. The final mainline replacement design is at 90%, and this project will go out to bid early 2024. It is funded by a 50% grant/50% loan from DWSRF.



Brandy Milroy Water Resource Manager

PUD 1 line crew replacing poles to upgrade line.

Building Partnerships for UTILITY INFRASTRUCTURE UPGRADES

With a small customer base and operating budget, Mason PUD 1 must find creative solutions to cover the costs of replacing infrastructure and planning for the growth of our water and power systems. Luckily, the Department of Health's team has been great to work with on Drinking Water State Revolving Fund grants and loans, and thanks to the Mason County Commission's American Rescue Plan Act (ARPA) grants, we have been able to secure funding to move water mainline and storage projects forward. With inflation and supply chain issues, these project bids have exceeded our engineer's estimates and put our projects on hold until additional funding is procured.

The PUD's management team worked with our state legislators to procure over \$1.6 million in the 2023-2025 capital budget to make up the shortage on three water system projects. Representative Travis Couture, with support from his colleague Representative Dan Griffey, was able to secure over \$618,000 for the PUD's Vuecrest water system to complete our reservoir construction, which will allow customers on that wait list to finally connect to the public water supply. Senator Drew MacEwen also sponsored and procured another \$1 million to make up the difference for our Agate Beach reservoir project and Ripplewood mainline replacement project. Thanks to this funding, the PUD is now able to advance all three projects and put those out to bid

in 2023. Agate Beach also has a waiting list for connections and Ripplewood's high distribution system leakage will be resolved with replacement of the aging and leaking mainline.

PUD 1 greatly appreciates our state representatives' support to help us get these important projects over the finish line without having to borrow money or impact water rates. They did a really good job pulling in funds for the 35th District overall and I am excited to see several projects move forward in our county.

Our partnership with Jefferson County PUD, the Jefferson County Commission, Hood Canal Communications (HCC), and HCC's project funders has also enabled us to replace 158 old and undersized utility poles in Jefferson County as part of HCC's broadband deployment in Brinnon. This amounts to about \$1.5 million in pole replacements that will begin this June and occur throughout the summer. These partnerships saved \$1.5 million in the PUD's capital budget that can instead be used for hardening our electrical system, as we focus on line rebuilds and vegetation management. Jefferson County Commissioners pledged \$100,000 in ARPA matching funds for this project, and Jefferson County PUD also pledged funding, engineering and materials to help ensure that Brinnon School District is one of the first areas upgraded for broadband.

We are very pleased to participate in this group effort to achieve this fantastic outcome for the kids and families at Brinnon School.

Our partners at the Washington State Department of Fish and Wildlife also stepped up to be the "Reviewing Agency" (RA) for a National Environmental Policy Act (NEPA) requirement that came as a condition of our \$1 million in federal HUD funding from Rep. Derek Kilmer's Community Project Fund. This NEPA would have pushed the Duckabush Utility Relocation Project out another year if we had to wait for HUD to review and approve the PUD's portion of the environmental analysis that was already conducted as part of the estuary restoration plan. We appreciate DFW's creativity in finding a solution to this delay and agreeing to be the RA for us. After nearly two years of planning and coordination, this utility relocation project will finally be put out to bid as soon as WSDOT finalizes their bridge design.

We are excited to get this ambitious list of work done in the next 12 months and are looking forward to the next round of project partnerships!



Kristin Masteller General Manager



Water Conservation Kits Available at Customer Service Counter

Part of the PUD's water conservation program includes education on how to lower your usage but still enjoy the flowers and gardens in the spring and summer. To assist in managing your water usage, we have water conservation kits again this year that can aid in responsible watering practices.

A perfectly healthy lawn only needs one inch of water per week. To figure out how long to leave your sprinkler on, place several empty cans in the spray pattern of your sprinkler, turn it on, and check the time. When at least an inch of water has accumulated in most of the cans, check the time again to see how long it took. That is how long you should set your timer to water your lawn for the week. Also, be sure to test your hose timer in your conservation kit before you set it and walk away the first time to be sure that it functions correctly. Happy Spring!

Our 2022 Annual Report is now available!

Read about the PUD's work, accomplishments, results of our state audit, and yearend financial position for 2022 at: https://tinyurl.com/ PUD2022AnnualReport. Limited hard copies are also available at the front counter while supplies last.





Mayday Procedure Drill

In March, PUD 1 coordinated a Mayday Procedure drill, complete with a mock airlift by Life Flight and invited our partners at Hoodsport Fire & EMS. A Mayday Procedure is the quick and coordinated steps that PUD 1 employees take when a worker is critically injured from making contact with energized power lines, or being struck by a passing vehicle while working along the roadway, or a similar critical injury that requires prompt, proficient response, including an airlift to a Level One trauma facility. All electrical contacts require airlift.

These are scenarios that we hope we never have to experience in our careers. However, we know we must be prepared to respond if necessary. In the mid-2000s, one of our employees was hit by a car while they were flagging, and the employee was hospitalized with very serious injuries, and luckily survived. Most of our workforce is fairly new, having joined in the last five years. They work dangerous jobs and as part of our safety culture, we want to make sure that not only are the employees prepared, but so are the first responders and partners that we engage with to help our employees survive critical accidents and injuries.

PUD 1 wants to thank the staff and volunteers at Hoodsport Fire & EMS, the team at Life Flight, and John Spain of Northwest Safety Service for coordinating with us on this important training. We are also pleased that a new partnership has come out of this with Hoodsport Fire & EMS now able to utilize the PUD's upper campus for airlifts. This will save valuable time for our community members and visitors in need by providing a safe, local site to provide helicopter transport to trauma facilities.

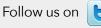
Lastly, congratulations to our employees for once again earning one of the top awards for the Northwest Public Power Association's safety contest, bringing in 3rd place for 2022's utilities with similar exposure hours. Safety is a core value at Mason PUD 1. We continuously work to be better.

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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