



Dosewallips River



# THE CONNECTOR FALL 2024

## MANAGER ARTICLE

# GRANTS! GRANTS! GRANTS!

As many of you know, the PUD has been diligently applying each year for several state and federal grant programs to tackle projects that have been on our capital improvement plans for years. In October, we applied for two grants under the Energy Programs in Communities Grid Resiliency and Reliability program: one to start the Jorstad Substation in Lilliwaup and another for the Seal Rock line conversion project in Brinnon. We requested letters of support from the public, and you all delivered! We received over 70 letters for Jorstad and more than 50 for Seal Rock. We hope the PUD will be selected for one or both projects this round; if not, we will resubmit in future rounds.

In addition to these state resiliency grants, we also received \$4,615,000 as a combination grant/low interest loan from the Public Works Board for the Manzanita Water Storage project, and the PUD also applied to multiple FEMA grant opportunities for Jorstad Substation, Seal Rock and a project that will loop feed the two southern end substations together for resiliency and backup power. FEMA also invited the PUD to submit two full proposals for earlier

applications for backup generators for several water systems and for vegetation management/danger tree removal. They both appear to be moving forward for awards. The Jorstad Substation project was also invited to submit a full federal application to the FEMA BRIC Program last round, but no projects from Washington State made the final cut. We resubmitted this fall and were invited again to submit a full application to the federal level. We also finally signed the contract for a previously awarded \$3.6 million grid resiliency project that will allow us to rebuild or reconductor several areas of our electrical system and to install more protection equipment on the lines. As a result of this funding, the PUD should be able to offset some of the projected power rate increase for 2025 and possibly 2026. FEMA and Washington State Department of Emergency Management have been fantastic partners for PUD 1!

The PUD is currently working on two additional federal grants for electrical infrastructure projects. We will also continue to submit proposals for both state and federal appropriations. This is in addition to grants we've submitted for conservation funding,

groundwater studies, source water treatment, and four Drinking Water State Revolving Fund projects that are ready for the next round of water system construction this fall. In total, we have about \$18 million in grant applications submitted for 2024, with more projects to submit in 2025 as new funding rounds open. We have surpassed our goal of securing \$20 million in grant funding, which we set for ourselves in 2020 when we began this grant-writing initiative. Our management team has now moved that goal to \$40 million.

Securing funding assistance is crucial to completing these large projects in a timely manner, so we don't have to build the entire costs of these projects into rates or long-term debt service. The showing of community support and our partnerships with other agencies, businesses, and the Skokomish Tribe significantly enhances our ability to advance these applications. So, THANK YOU!



Kristin Masteller,  
General Manager

New Overhead Line at Duckabush Road



# POWERING A SUSTAINABLE FUTURE

## Mason PUD 1 and the Path to Carbon-Free Energy with Small Modular Reactors

With the recent surge in power demand in our region and our desire to provide sustainable energy for our customers, it is critical that sources of carbon-free, reliable and responsible power be developed. Recognizing some of these challenges, Mason PUD 1 is proud to be part of the solution in the clean energy transformation.

In 2019, Washington state implemented the Clean Energy Transformation Act, which commits Washington to an electricity supply free of greenhouse gas emissions by 2045. In fall 2022, to help meet the state's energy goals and the power demand of our customers, Mason PUD 1, Energy Northwest and 16 other utilities in the region kicked off a series of discussions and investments to help meet the climate goals of the state, jointly contributing nearly \$1 million toward the development of small modular reactors (SMRs).

Notably, on Oct. 16, 2024, Energy Northwest announced its partnership with Amazon

and X-energy to begin the feasibility phase of a small modular reactor project near Columbia Generating Station in Richland, Washington. Amazon's funding will support two years of thorough and robust environmental, safety, permitting, licensing and risk analyses leading up to a request for formal approval of the project from Energy Northwest members, including Mason PUD 1. If approved, Energy Northwest would then apply for a construction permit.

The first project will be 320 megawatts (MW). Energy Northwest will have the option to expand the project with another 640 MW for a total capacity of up to 960 MW. This additional power will be available to Amazon and northwest power utilities to power homes and businesses. This funding will help move the region well down the road toward deploying one of the first advanced nuclear generation plants in the country!

Mason PUD 1 has been a longtime member



of Energy Northwest, and I have had the pleasure of serving on their board of directors since 2003, representing not just PUD 1 but small public utilities in general. This small modular nuclear project is one of the most significant in my tenure at Energy Northwest. I applaud this collaboration between Amazon and Energy Northwest as it demonstrates how public-private partnerships can accelerate progress through a shared vision. It also paves the way for public power entities, including small PUDs like Mason PUD 1, to participate in the development and building of future SMRs to help meet the region's growing energy demands.



Jack Janda,  
Commissioner, District 3

## Lead Service Line Inventory Underway

The Environmental Protection Agency (EPA) adopted Lead Service Line Inventory requirements at the end of 2023. This requires our state Department of Health (DOH) to enforce the requirements for all Group A water system purveyors (15 or more service connections or serving 25 or more people, 60 or more days per year). The PUD is required to identify 20% of the overall water systems service lines, this includes the water system side and the customer side, to verify if there is any lead or lead lined galvanized piping. Any home built after 1986 will not have any lead or lead lined galvanized water line, due to EPA putting a ban on lead when it comes to drinking water.

In the water department we have identified the 20% of service lines that need to be verified in all our Group A water systems. All customers whose services were selected for inspection should have received a letter from the Water Department notifying them about this inventory process. Any homes built before 1986 that don't have any documentation of upgrading their service line will have the lines physically verified by our water department. The water techs do the verification on both sides of the meter, take a picture, and document what is physically present. This information is then submitted to DOH.

As of October, the crew has already

completed Alderbrook, Agate Beach, Arcadia Estates, Bay East, Bashore, Bel Aire Cove, Bellwood A, Canal View, Canal Mutual, and Rainbow Lake without finding any lead service lines. They will continue their inspections through the rest of the year and this information will be included in the systems' Consumer Confidence Reports next summer. If you have any questions, please contact the Water Department at (360) 877-5249.



Brandy Milroy,  
Water Resource Manager



# Busy 2024 Construction Season

2024 has flown by! The power and water crews have been busy all summer, into the fall completing construction projects and trying to keep up with the regular projects and to-do lists.

The power crew has been focusing this year on constructing the distribution feeds in Union that will deliver power from the new Manzanita Substation that is currently under construction. New distribution line has been built out on Dalby Road and they will continue to install protection equipment in Alderbrook and the Union area through the end of 2024. They also rebuilt a lot of old tap lines to single customer homes and finished the line rebuilds on Four Wheel Drive Rd., Bow Tree Lane, Jorstad Creek Rd., and a power reroute at McDonald Cove. They also have replaced underground cable in sections of Alderbrook and will trim the lines at Duckabush Road and Hama Hama Rec Rd. this year.

Electrical contractors are nearly wrapped up with the Duckabush Estuary Utility Relocation project. Power lines are being rerouted and moved underground to accommodate the upcoming Washington Department of Transportation highway improvements and the estuary restoration activities. The PUD's portion of this project should be completed by the end of November. Contractors also installed several conduits along U.S. Hwy

101 at Seal Rock as part of a joint trench opportunity. The PUD is applying for grants to finish moving that overhead line that follows the old Hwy 101 route along Seal Rock Road up to the current Hwy 101 and convert it all underground, leaving a single phase line on Seal Rock Rd. to serve those customers. Contractors were also hired to do several pole replacements as part of Hood Canal Communication's grant program for their rural broadband deployment in Brinnon. The PUD continues to work with HCC to get our infrastructure upgraded through their grant program and help expedite broadband to our customers on the north end of our system. The Manzanita Substation Phase One site work is completed at the new site and construction of the substation began in October. The sub should be completed in February 2025 with a cutover date in the spring.

After completing mainline replacement in Alderbrook, the water department tackled a massive mainline project at Lake Arrowhead this summer, which took most of the summer to complete. This project replaced 4,400 feet of mainline along the Satsop Cloquallum Road and tied the individual community roads in the development to the new mainline. This work was done ahead of Mason County Public Works' paving schedule and in conjunction with contracted mainline construction within

the Lake Arrowhead development. The PUD cancelled the contract with the first contractor and re-awarded it to Rognlin's Inc., who will start next spring and complete the rest of the mainline work. When 2025's work is completed, Lake Arrowhead will have a whole new water system, complete with iron and manganese treatment and backup generation. Nearly all of this work was grant funded. The water crew is finishing up 2024's strategic plan items with cross connection controls and lead service line inventories.

Water contractors have made great progress at Agate Beach with the reservoir and booster station and will complete the booster skid and backup generation installation by January 2025. Vuecrest water system also is nearly complete with a new reservoir, booster station and backup generation. It should be completed before the end of 2024. Ripplewood water system's mainline replacement project is also nearly complete. These were all grant funded projects.

The PUD is working on our annual strategic work plan for 2025 as part of our budgeting process. The final plan will be brought to the PUD Board of Commissioners in December for approval. Our strategic plan is posted to the "Meetings" section of the PUD's website, along with quarterly updates.

# Service AWARDS

THANK YOU FOR YOUR YEARS OF SERVICE WITH MASON PUD 1!



10 Years!

Rooster Ogg



20 Years!

Ron Gold



# CUSTOMER APPRECIATION EVENT

On October 4th we welcomed our customers for lunch again for our 14th annual Customer Appreciation Event to kick off Public Power Week. We welcomed over 400 guests through our Drive Through event this year. It's always great to host this event and see our customers before Public Power Week. We hope you enjoy it as much as we do! Join us next year as we celebrate 90 years of service to the Hood Canal and Mason County!



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](http://mason-pud1.org) or call the PUD office.

## MASON COUNTY PUD 1 COMMISSIONERS:

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

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