

CONNECTOR SPRING 2025

MANAGER ARTICLE

HOW TO HELP PREVENT

How to Help Prevent Cold Load Issues During a Power Outage

Although the weather is warming up now, we had a cold snap and an outage in the north end of our system in Brinnon that presented some cold loading issues. A few social media commentors did not understand why they were being asked to conserve energy after their power came back on and were upset, thinking it was due to the PUD's distribution system. Cold load pickup is an issue that all utilities face when electrical equipment is offline for extended periods of time and we all try to do education and outreach on the topic. This article is refresher for some, and an explanation for others who have not heard the term before. Please share this information with your friends, family, and neighbors. It could help expedite your power restoration in the next cold snap!

Understanding 'Cold Load'

When we bring power back to large areas of our electrical lines during cold weather, we encounter a challenge known as 'cold loading.' Cold load refers to the electricity demand from customers as we restore power to sections of the line that have been off for an extended time.

Why It Matters to You

Sometimes, the sudden demand for electricity is more than the power system can handle all at once. In these situations, circuit breakers automatically trip to prevent overloading, causing the power to go out again. You may experience brief moments of power returning, only to have it go back out. Entire sections of our territory can also be affected if the power draw is too high. To manage this, our line crew heats up one section at a time, allowing it to stabilize before moving on. Tripping breakers can set us back hours, making the overall power restoration process longer.

How You Can Help Next Time

The main issue arises when many electric heaters and furnaces start at the same time, creating a heavy demand for power simultaneously on the cold system. We ask customers to turn off the breakers to their furnaces when the power goes out. When power is restored, limit electricity usage for at least 20 minutes, allowing our system to stabilize. Then gradually bring up the temperature in your home. Turning off appliances and electronics during this time can also be helpful.

Several areas of customers (looking at you, Alderbrook!) have gotten savvy to this and

do a great job conserving power and holding out for 20-30 minutes before they turn on their heat and appliances. Our goal is to get this information out to all our communities so they can help us restore power more quickly for everyone.

What is the PUD Doing to Help?

We're making efforts to enhance our system. We've installed switches and regulators to distribute power more efficiently and upgrade existing substations and equipment to better regulate voltage and manage demand. We also are working on new substations in Union (Manzanita Sub) and Lilliwaup (Jorstad Sub), which will eventually reduce the distance of the line that are fed from each substation and allow us to loop feed the subs.

The next time we have a prolonged outage, especially during a cold snap, remember to share these tips and help us restore the power as quickly as possible. Each year the PUD 1 customers get better and better at this and our line crew appreciates the help!



Jeremiah Waugh, PE, Engineering Manager

WATER PROJ UPDATE

The water department is extremely busy this season, as usual. We have been working on getting our major projects from 2024 wrapped up and starting the process on the new ones in 2025.

The Vuecrest water system project will finally be complete in March! In 2022, the PUD received grant funding to do the design of a reservoir, a booster station building, a booster pump skid, a backup generator, and new mainline to tie into the Union Ridge water system for emergencies. This project went out to construction in 2024. The reservoir, booster station building, booster pump skid, mainline, and backup generator have been built and installed. We are now working on the final punch list items to close out the project, which will happen in March. The grant funding covered more than 95% of this project and now Vuecrest will have sufficient connections for all of the lots, backup power to the well during power outages, and the ability to use the emergency intertie with Union Ridge if a well has to be taken offline for maintenance or any issues.

The Agate Beach water system project will also be completed in March. In 2021, the whole system had a new mainline installed. In 2022 the design for a reservoir, booster station building, booster pump skid, and backup generator were designed and in 2023/2024 the reservoir and booster station building were constructed, including the booster station and backup generator. This project was entirely funded through various grants and did not impact water rates.

The Shadowood water system was awarded funding in 2022, and the PUD started the design for a new reservoir, iron and manganese removal treatment, booster pump station, building, and backup generator was underway. The PUD finally received all state and local approvals and this project is currently out to bid with construction expected to begin in early fall of 2025.

Our Manzanita water storage project is also underway. This project includes two 200,000-gallon concrete reservoirs, booster pump stations, a draft hydrant for Fire District 6, and a backup generator. One reservoir and booster pump station will serve the Highland Park water system and the other will serve the Alderbrook water system. The project will be out to be bid in April with the goal to begin construction later this year. It will be located on the PUD's Manzanita Campus next to the new substation. The PUD received a Public Works Board grant/low interest loan





combination to fund this project.

These are just four of the major projects we have going on in addition to our day-to-day work that the water crew is doing year-round. We have several more large construction projects that are in various phases of design or permitting that we will report on as they move forward. The PUD is very appreciative of the state and local funders who helped us accomplish these longstanding items on our capital work plan without impacting our water rates.



Brandy Milroy, Water Resource Manager

POWER RATE INCREASE EFFECTIVE APRIL 1st – ALTHOUGH LOWER THAN ORIGINALLY PLANNED

Following a public workshop and rate hearing, the PUD commission passed the 2025 budget on December 10, 2024, at the regular board meeting. The overall revenue requirement is \$14.6 million, which includes power costs, operating and maintenance, general and administrative expenses, as well as paying down long-term debt, and funding the District's designated reserves for equipment purchases, future capital infrastructure projects, and the annual cashon-hand goal.

For the electric division, the previously scheduled rate increase was 4.75%, as recommended by the PUD's Cost-of-Service Analysis and approved through prior board resolution; however, because of the grant funding the District has secured, staff was able to reduce that rate increase to 3% for 2025. Aside from funding ongoing capital projects, long-term debt payoff, and increased costs from outside services, one of the main contributing factors for the rate increase is due to the significant power and transmission rate increases from BPA. BPA announced in November 2024 that they are proposing a 9.8% increase in Tier 1 power rates and a 21% increase to their transmission rates. PUD 1 and our industry associations are actively working with BPA to negotiate down BPA's rate proposals, but it's likely that we will see significantly larger increases in power and transmission over the next two-year rate case than we have over the last several rate cases.

For the water division, 2025 has a scheduled rate increase of 5%, which is the final year of the previously-approved board resolution that set the water rates in 3 year increments. The PUD refreshes its Cost-of-Service Analysis (COSA) every three years to ensure the revenue requirement covers the cost to provide service to its ratepayers. 2025 will be the year that we review the COSA for the water division to make any necessary adjustments. With the prior review in 2022, the originally planned rate increase of 7% was reduced to 5% because of the success staff has had in securing grant funding to pay for the large capital projects that would otherwise be paid through long-term debt and/or rates.

For our sewer division, the budget includes

a 1.5% rate increase. While 2024 was the final year for the 3% annual rate increase as approved in 2021's resolution and the sewer business is now on track to support the annual maintenance and operation of the system, staff recommended a small rate increase in order to keep up with the cost of inflation on fuel, labor, and materials rather than wait until the sewer division falls behind again and have to do a large increase. Sewer's COSA will also be reevaluated in 2027.

For customers who would like more information on the budget and rates, there are two links on the PUD homepage at www.mason-pud1.org called "2025 Electric Rate FAQ" and "2025 Sewer Rate FAQ". We can email or mail copies as well and they are available at the front counter. You also are welcome to reach out to me if you have any questions.



Katie Arnold, District Treasurer and Director of Business Services

COMMISSIONER CORNER



UNION UTILITIES UPDATE

Last Spring, I shared with you all the groundbreaking of the Manzanita Substation work at the PUD's Manzanita Campus in Union. The new Manzanita Substation is almost complete. We originally had a cutover tentatively scheduled for April, but since the utility industry is still struggling with supply chain issues, that cutover date has been pushed to June while we wait for two items to arrive that will enable us to finish out that project. Many of you who live in the Union area have likely seen the activity on Dalby Road as our line crew built out the distribution lines to feed our community from the new sub. This substation is replacing the old 1950s sub that is on Dalby Road and will set our area up for the next 50+ years.

In addition to the power infrastructure, the PUD applied for a Public Works Board grant/ loan combination for the Manzanita Water Storage facilities to be co-located on the Manzanita Campus. We anticipated having to work over the next several years to secure the funding and move this project forward, but we were surprised, and our project was selected the first time we applied! The engineering and permitting are completed, and our PUD team is working on getting the schedule put together to put this project out to bid. There will be two water reservoirsone for Alderbrook Water System which is getting closer to hitting their cap on connections until more storage is built, and the second reservoir is for Highland Park, which already has a cap on connections until the storage is constructed. In addition to the water storage, the PUD designed a draft fire hydrant for Fire District 6 to use, creating an added layer of fire protection for the Union community. We also will have a backup generator installed on site to run the booster stations in the event of a power outage. This water and power infrastructure on the Manzanita Campus is a generational investment in utilities and will serve the Union area for the next 50+ years.

Other projects happening in the area include approximately 700' of mainline replacement on Manzanita Court in Alderbrook, ahead of AGYC's paving schedule and the completion of the Vuecrest water project. A new reservoir, booster station and backup generator were installed at Vuecrest along with an emergency intertie with Union Ridge water system, in case one of the wells needs to be taken offline, each system can be served by the other. The water crew is also rerouting the water mainline on Hwy 106 to accommodate a WSDOT fish culvert removal project next to 2 Margaritas and while we're doing that work, we are coordinating with Hood Canal Communications to get the old public water fountain back up and going near Union Country Store.

Lots going on! If you have any questions about the work occurring, please give us a call.



Mike Sheetz, Commissioner, District 1



Several Programs Available for Assisting with Utility Bills

If you're struggling to pay your utility bills, help is available through various assistance programs. Utility customers facing financial difficulties should reach out to PUD 1's Customer Service Team at (360) 877-5249 to learn about the PUD's Canal Comfort Fund as well as programs like LIHEAP (Low-Income Home Energy Assistance Program), SHEAP (State Home Energy Assistance Program) and other payment assistance options such as our Budget Billing Program or setting up payment arrangements.

Whether you are on a lower fixed income or just experiencing a temporary financial hardship, PUD 1 has several options available to help you stay connected with utility services. Don't wait for your utility bills to get out of hand, call us today at (360) 877-5249 to explore the options available to you. Assistance is just a phone call away, and you don't have to navigate this challenge alone. We're here to help!

Lisa C., Credit & Collections Specialist

Choose the RIG

One of the things we really dislike doing is cutting someone's decorative trees and plants that grow into our electric and water lines and infrastructure. We know that people enjoy their trees and foliage, and we would rather help customers choose the right spot when planning their spring planting, rather than have to cut it or replace it down the

PRUNING AREA

To help prevent out-

ages, trees and shrubs

will be pruned if they

are within 10 feet of overhead power lines. road. Remember-it's not just about power lines and transformers! Roots also cause damage to our water mains and reservoirs. It's best to keep even low growing plants about 10-15 feet away from utilities.

And remember! Call 811 before you dig! If you hit the lines without locates, you can be charged for the time and materials to make the repairs. 811 is free and takes up to 48 hours (2 business days) to get the locates completed. Much easier than breaking a water pipe or dangerously making contact with an underground power line.

KEEP CLEAR Do not fly objects near power lines.

MEDIUM TREES AREA Plant medium trees (25 35 feet high when mature) at least 25 feet away from overhead power lines.



CLEARANCE AREA

Trees and shrubs should be planted at least 10 feet away from ground-mounted transformers.

KEEP CLEAR Keep the area around the meter clear for reading and safety.



LOW TREES AREA Plant low growing trees (15 feet high when mature) and shrubs at least 10 - 25 feet from overhead power lines.

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



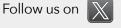


LARGE TREES AREA

Plant large trees (over 35 feet high

when mature) at least 50 feet way

from overhead power lines.



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