

Hotline



Issue: May - June 2017

New Rates Effective May 1, 2017

In February 2017, the Rate Advisory Committee (RAC) and Franklin PUD staff met and reviewed the revenue requirements, cost of service, rate design and various rate increase scenarios for Franklin PUD customers. The RAC brought a recommendation of a proposed 4.1% overall rate revenue increase and rate design changes to the February 14, 2017 Commission meeting.

The Commission authorized staff to hold three public hearings to communicate information on the proposed rate action. Three public hearings were held, one in Connell on March 14, 2017 and two in Pasco on March 15 and March 16, 2017.

At the March 28, 2017 Commission meeting the Commissioners authorized implementation of the following rate action:

1. A 4.10% overall rate revenue increase to be effective May 1, 2017; leaving the Residential Basic Charge at \$34 for single phase and \$58.72 for three phase; and

2. Combining the Small Agriculture Irrigation Service and Large Agriculture Irrigation Service into one rate class, effective January 1, 2018.

Rising power and transmission costs from the Bonneville Power Administration (BPA) are the main drivers for Franklin PUD's rate increase. Franklin PUD buys about 85% of its power from BPA, the Pacific Northwest's largest energy marketer. In October 2015, BPA's wholesale power rate increased, which impacted Franklin PUD with an increase of about 6% and we are expecting an additional increase from BPA in 2017. While power costs represent nearly 70% of the annual budget for Franklin PUD, we continue to look for internal efficiencies and cost reductions to keep rates as low as possible.

Franklin PUD last raised rates on September 1, 2015.

Below is the new rate schedule effective May 1, 2017.

RATE CLASS	RATES AS OF 09/01/15			*PROPOSED RATES TO BE EFFECTIVE 5/1/2017		
	BASIC	ENERGY	DEMAND	BASIC	ENERGY	DEMAND
RESIDENTIAL						
Single Phase	\$ 34.00	0.0635		\$ 34.00	0.0673	
Three Phase	\$ 58.72	0.0635		\$ 58.72	0.0673	
SMALL GENERAL						
Metered	\$ 38.00	0.0715		\$ 39.56	0.0744	
Unmetered	\$ 38.00	0.0715		\$ 39.56	0.0744	
MEDIUM GENERAL						
Meter & Unmetered	\$ 49.84		\$ 7.93	\$ 51.88		\$ 8.26
Apr-Aug		0.0350			0.0364	
Sep-March		0.0443			0.0461	
LARGE GENERAL						
Meter & Unmetered	\$ 66.53		\$ 8.11	\$ 69.26		\$ 8.44
Apr-Aug		0.0351			0.0365	
Sep-March		0.0437			0.0455	
INDUSTRIAL						
Metered	\$ 467.53		\$ 8.33	\$ 486.70		\$ 8.67
Apr-Aug		0.0349			0.0363	
Sep-March		0.0438			0.0456	
SMALL IRRIGATION			HP			HP
Basic HP Fee Mar-Oct	\$ -		\$ 4.95	\$ -		\$ 5.15
Apr-Aug		0.0308			0.0321	
Sep-March		0.0505			0.0526	
LARGE IRRIGATION						
Metered	\$ -		\$ 9.14	\$ -		\$ 9.51
Apr-Aug		0.0307			0.0320	
Sep-Oct		0.0420			0.0437	
Nov-Mar		0.0506			0.0527	

*The proposed rates show a 4.1% overall rate increase.
HP = Horsepower

Working for You

Commissioners:

Bill Gordon, *President*
Stu Nelson, *Vice President*
Roger Wright, *Secretary*

General Manager:

Tim Nies

Hotline Editor:

Debbie Bone-Harris
Senior Manager, Public Affairs

Graphics/Layout:

Stacey Azure
Communications Specialist



REMINDER: If you are using your bank's bill pay system you must update your account number

All customers now have a new account number. If you pay your bills through your bank's online bill payment system, you'll need to update your account number as soon as possible. Not changing it may cause a delay in processing your payment. If you have questions about how to do this, please contact your bank. Your new Franklin PUD account number is a six digit number (with no dashes) located on the top right corner of your bill.



Sign up for SmartHub today!

With SmartHub, you can:

- Pay your bill immediately with secure online payments
- View monthly electricity usage and history
- Manage account information directly and track payment history from mobile devices or the web
- Sign up to receive notifications via e-mail or text messaging concerning activity on your account
- Report a power outage

And don't forget to download the SmartHub App in the App Store or Google Play.



Commissioners Pass Resolution Supporting Columbia Generating Station

Franklin PUD, along with other utilities across the state, passed resolutions calling for the continued operation of Columbia Generating Station, the nuclear energy plant that Energy Northwest operates. Both Franklin PUD and Benton PUD took to task a recent report commissioned by the anti-nuclear energy group Physicians for Social Responsibility (PSR). In the report, researcher Robert McCullough claims Columbia's output can be replaced completely by renewable resources.

"We felt pretty strongly about this", said Franklin PUD general manager Tim Nies during

the March commission meeting, referencing "a lot of flaws" in the PSR report. "Columbia is baseload energy and the cost of generation from CGS is still a really good deal".

Franklin PUD must rely on baseload energy, like nuclear and hydropower to reliably run the system for our customers. About 9% of Franklin PUD's fuel mix comes from nuclear power. We also have about 8% of our fuel mix in renewable energy, which are intermittent sources of power and must be backed up by baseload energy.

Commissioner's Corner

System Charge Replacing Basic Charge



Roger Wright
2017 Secretary

As a Franklin PUD ratepayer you are part owner of the PUD. As Commissioners and staff, our responsibility is to protect your investment and keep your monthly costs as low as possible. One of the struggles that we face with several different classes of ratepayers, (i.e., residential, industrial, irrigation) is structuring a rate schedule that is equally fair to every rate payer. It just isn't possible to design a rate that is perfectly equal for all ratepayers. There are too many different ways customers use power. Specifically, for the residential customer we have some users that consume a lot of power, some use very little, and still others use no power at all during some months. Additionally, we now have some customers that have installed solar panels on their homes and use no power from the PUD during some months, but a full month of power during other months. Customers demand that when they throw the light switch they have all the power they need no matter when that switch is thrown.

There are two components that make up your rates as residential customers. The first component is the energy charge, or what we call the kilowatt hour (kWh) charge that covers the cost of electricity Franklin PUD purchases and sells to our customers. The other component is the system charge, formerly known as the basic charge. The system charge covers the cost required to provide you power whether you use it or not. The monthly system charge is comprised of many aspects surrounding the transmission and distribution of power such as meters, poles, wires, and other costs that are not affected by the amount of energy a customer uses. The purpose of the system charge is to spread the fixed costs of our electrical system as fairly as we can. Consider every utility that you purchase services from including water, sewer, natural gas, even your cell phone, they all have a monthly fixed cost. We have done our best to fairly distribute this fixed or system cost amongst all our ratepayers.

In everything we do, Franklin PUD does our best to keep our rates as low as we can and to fairly distribute costs across all our ratepayers. We are committed to protecting Franklin PUD and keeping your rates stable and as low as possible.

May is National Electrical Safety Month

Be Aware of the Danger of Electric Shock Drowning

During May we always celebrate National Electrical Safety Month. With summer upon us and so much boating in our area, we need to be aware of electrical shock hazards around boats and marinas. Docks and boats carry sources of electricity. Faulty wiring or the use of damaged electrical cords and other devices can cause the surrounding water to be come energized.

- There is no visible warning to electrified water.
- Electric current in the water causes the paralysis of muscles which results in drowning.
- As little as 10 milliamps, 1/50th the amount used by a 60 watt light bulb, can cause paralysis and drowning.

For more information on home and workplace safety visit esfi.org



Franklin PUD offers Generation Green, a "green power" program to give our customers an opportunity to purchase renewable energy generated from qualified alternative energy resources. This program, which provides a **voluntary option** to customers, is mandated by the State

of Washington through RCW 19.29A.090.

The amount you pay is above and beyond what you already pay for renewable energy already included in Franklin PUD rates.

For more information on this program, visit our website at www.franklinpud.com/index.php/energy-efficiency/generation-green/.



Beware of Phone Scams



Scammers continue to target utility customers. In the most common scam, a caller will portray he or she is collecting a past due amount, demands immediate payment and threatens to disconnect service if payment is not made. The caller requests payment be made by money order, credit card or cash card and may even ask the customer to use a specific type of payment card.

Franklin PUD does not contact customers by phone and request immediate payment to avoid disconnection when an account is past due.

Please watch out:

Callers are very convincing. They are persistent and ask questions to gain more information from the customer to be used in future calls.

Don't be convinced the caller is from a utility because they are able to quote utility policies or procedures. Scammers obtain information so they may sound more official when they call.

Scammers will quote bill amounts and due dates, when actually they use fictitious, untrue information to sound credible.

Don't rely on caller ID as it can easily be spoofed.

The best way to confirm a call is legitimate is to hang up and call Franklin PUD's Customer Service at 509-547-5591.

Fuel Mix Disclosure

A report of where your power comes from.

Generation Type % of Total Generation

Generation Type	WA State*	Actuals
COAL	3.99%	
HYDRO	79.96%	76.28%
MARKET PURCHASES		10.25%
NATURAL GAS	3.85%	1.42%
NUCLEAR	8.96%	8.96%
WIND	2.94%	2.94%
OTHER	0.30%	0.15%

TOTAL 100% 100%

Source: WA State Dept. of Commerce (DOC). This report is generated by the DOC which only has data through 2015. As you can see, Franklin PUD likes to show the actual generation vs. the DOC report, showing our actual power is 88% carbon free.

