



HOTLINE

News From Your Public Power Utility • Summer Edition 2015



PUD Employees Proud To Serve Clallam County

SEE YOU AT THE FAIR!



We're giving away 4 LED bulbs per family while supplies last!



Visit the PUD at the Fair!



Crews Restore Power After a Vehicle Hit a Pole.



PUD Water Officials Tour Morse Creek with State Officials



Water Crews Working on a Line



Stacie, PUD Substation Technician, is seen working on the Sekiu current transformer changeout project.



Celebrating 75 Years, Parade Float

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Clallam County PUD
PO Box 1090
Port Angeles, WA 98362

Postal Customer

PRSR STD
U.S. Postage
PAID
Olympic Mailing
Services
ECRWSS

PUD Mission: Providing reliable, efficient, safe and low-cost utility services in a financially and environmentally responsible manner.

A Busy Summer



DOUG NASS

Dear Customers,

The summer has been very busy here at your PUD, and the rest of the year looks to be even busier. One item that has consumed much of our time has been the drought. One of the worst in recent times, the drought has created a number of challenges for our water customers. Mandates by the Department of Ecology forced the Upper Fairview District on water restrictions and several other of our water districts have been asked to conserve water. Let's hope for a better snowpack winter as that's where the real benefit is in the summer.

Additionally, the PUD's new facilities are coming along nicely and on time. We plan to begin the process of migrating from our old headquarters to the new headquarters in November. Between the "one stop shopping" for customers, and having the majority of employees in a single area, the PUD should experience increased efficiencies once moved in.

The other item I wanted to touch on is that this is the time of year when PUD staff really begins to work on the PUD's 2016 budget, strategic plan, and rates. Please know we always work with our mission in mind, "Providing reliable, efficient, safe and low cost utility services in a financially and environmentally responsible manner," and we always discuss and adopt these items in public meetings. So, stay tuned for those public announcements.

It's with great pride we serve as your locally controlled public utility. Remember, we're your neighbors and customers of the PUD too.

Doug Nass, General Manager

Contact PUD

PO Box 1090
Port Angeles, WA 98362
360-452-9771
Toll-free: (800) 542-7859
info@clallampud.net
www.clallampud.net



Your PUD's electricity comes from the following fuel mix:

Hydroelectric:	88.03%
Nuclear:	10.05%
Coal:	0.92%
Wind:	0.55%
Natural Gas:	0.38%
Biomass:	0.04%
Waste:	0.02%
Petroleum:	0.01%

Commissioners

Clallam County Public Utility District #1 is directed by a three-member board of commissioners elected by the citizens of the county. Our Board holds public meetings most Mondays at 1:30 p.m. at our Port Angeles office, 2431 East Highway 101. Call (360) 565-3231 or (800) 542-7859, or visit www.clallampud.net, for more information.



Will Purser
President, District #1

Will Purser has served as District 1 PUD Commissioner since appointment in April 2001. He represents the 1st District, which is the Eastern part of the County. Commissioner Purser recognizes that the issues of energy, water, and waste disposal are critical to the quality of life of Clallam County residents now and in the future. He also serves on the Energy Northwest Board of Directors' Executive Board. Energy Northwest is a Joint Operating Agency of 28 public utilities operating nuclear, hydroelectric, wind, and solar projects.

wepurser@clallampud.net • 360-565-3512



Hugh Haffner
Vice President, District #2

Hugh Haffner has been Commissioner since 1994, when he was appointed to a two year term. He represents the 2nd District, which encompasses areas surrounding the City of Port Angeles. Commissioner Haffner has

been working with municipal, state and federal officials to bring fiber optic backbone to the county and researching and developing strategies for a county-wide fiber optic network. With real-time, two-way connections to our power stations and our customers we can regulate power flow and provide better, more economical service.

hughh@clallampud.net • 360-565-3521

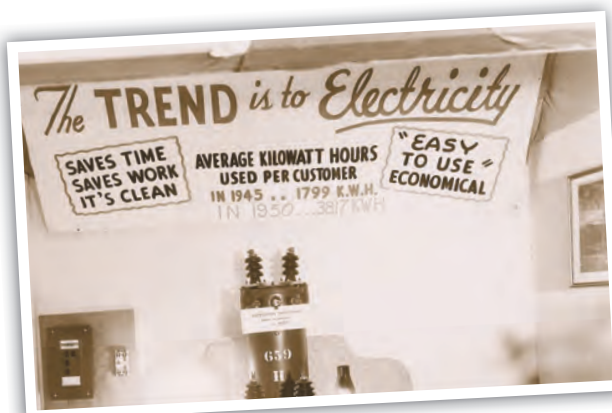


Ted Simpson
Secretary, District #3

Ted Simpson was elected in 1985. He represents the 3rd District, which is the West part of the County. Commissioner Simpson is a proponent for safe, reliable, and affordable utility service for all PUD customers. "Our current challenge will be to integrate new renewable (Green) resources into our system at an affordable cost, while complying with State and Federal Laws".

teds@clallampud.net • (360) 565-3525

CELEBRATING 75 YEARS of Serving Clallam County



Since its formation was authorized by a vote of the people in November of 1940, Clallam PUD has endeavored to supply the residents of Clallam County with reliable and affordable water and electric services. Clallam PUD serves 30,000 customers with electric service, 4,500 with water connections and has offices in Port Angeles, Sequim, Forks, & Clallam Bay/Seki.

With this being the 75th anniversary of Clallam PUD's formation, enjoy this brief look at the history.

The Beginning

The Washington State public power program is unique in our nation. To keep essential water and power services from the sway of political struggles in 1930 the voters approved Public Initiative No. 1:

"THE PURPOSE OF THIS ACT IS TO AUTHORIZE THE ESTABLISHMENT OF PUBLIC UTILITY DISTRICTS TO CONSERVE THE WATER AND POWER RESOURCES OF THE STATE OF WASHINGTON FOR THE BENEFIT OF THE PEOPLE THEREOF, AND TO SUPPLY PUBLIC UTILITY SERVICE, INCLUDING WATER AND ELECTRICITY FOR ALL USES."

1940s

In 1940 the voters of Clallam County decided that their electric and water service should be publicly owned and operated. Clifford Cowling was the first

PUD Manager. Max Schmuck, George Ulster, and Arthur Reynolds were the first PUD Commissioners. The first meeting of the Board was at the Angeles Cooperative Creamery on December 7, 1940.

The District's first electric operation began in 1943, in Forks, when the District purchased the assets of the Olympic Public Service Corporation. The purchase included a 250-kilowatt-diesel generating plant and distribution facilities that served the areas of Forks, LaPush, Tyee and Beaver, for \$80,000. The generator was inadequate for the growing electrical needs of the areas, and the rate of 7.28 cents per kilowatt-hour was high. The generator was replaced and construction of new distribution lines followed. **Today's residential rate remains well below that 1943 rate.**

The District moved to acquire the properties of Puget Sound Power and Light Company, located in the eastern part of the county. A legal battle ensued. The struggle for acquisition was ultimately appealed to the Supreme Court. On December 1, 1943, a jury verdict confirmed the purchase by the PUD at a price of \$600,000.

Transition from private enterprise to public utility was far from friendly. When the PUD took over operations at 11:00 AM on July 15, 1944, the Puget Sound Power and Light employees disappeared without notice that afternoon. The new PUD Manager had to use employees from his own personal business to keep service going.

In 1945, the District began providing water in the Gales Addition area. The power was extended around Port Angeles, Forks, and La Push. Plans were developed to serve the Lake Crescent and Barnes Cove areas. The Elwha Dams were a valuable source of energy that the District used if the feed from Puget in the East was interrupted. However, the only practical solution for the need for more power was to bring federal power from the Grand Coulee Dam on the Columbia River.



On November 1, 1949, power from the Bonneville Power Administration came to Port Angeles via a new 115,000-volt transmission line from Shelton.

This allowed the PUD to expand its system to Palo Alto Road, Camp Hayden Road, and Freshwater Bay – totaling 14 miles. In each case, the customers cleared the rights-of-way and dug the pole holes.



The PUD also supplied power to Port Angeles City Light via its 69 KV system until the mid-50s when there was a dispute over charges and City Light decided to negotiate its own contract with BPA.

During this time the District adopted a slogan that appeared on the side of the PUD line trucks – Your Electric Service. It was based on the PUD concept of assuring customers of their stage in the system and the right to expect excellent service.

con't



1950s

In the mid-50s, the PUD contracted with Power Line Erectors, Inc. to build a 69 KV line from Port Angeles to the initial West End Terminal at Tye Substation. To help reduce costs and take advantage of the local cedar, the District purchased a pole shaver and supplied approximately 600 poles for the line.

On July 19, 1955, a fire in Neah Bay destroyed the existing diesel power plant and cottage belonging to Neah Bay Light & Power Company. Nearly the entire town was without power. The PUD worked with the Navy to restore power the next day with a 600 kw generator moored to a barge and connected to the 2,400 volt Neah Bay distribution circuit.

This fire, along with previous negotiations, led to the PUD purchasing all assets of Neah Bay Power & Light Company and Clallam Bay Light and Power Company for a total of \$75,000 in August, 1955.

In 1956 and 1957 a 69 KV transmission line was completed in three phases between Sappho and Sekiu, Sekiu to Neah Bay, and from the Forks Substation to the Tye Substation.

In 1957 Clallam County and 17 other PUDs joined



to form the Washington Public Power Supply System (WPPSS). The District still receives annual payments for its share of the Packwood Hydroelectric Project undertaken and completed by WPPSS. Later, WPPSS generated electricity using steam from the federal government's nuclear reactor at Hanford, the largest civilian nuclear power plant in the U.S.

To meet future energy needs, WPPSS decided to build five nuclear power plants at Hanford and Satsop in Grays Harbor County. Most of the projects were never completed due to cost escalation and increased regulation. The Supreme Court found that the District, along with other participants, did not have authority to enter into some of the agreements. The District withdrew its membership from WPPSS in 1984 with a net loss of \$2,259,034 in 1988.

1960s

In this decade, the PUD completed two major water projects. Wells were drilled in the Sekiu-Clallam Bay area, using the Hoko River as a source; and existing wooden water mains in Gales Addition were replaced. Electric service was extended to Allen's Mill south of Forks; and this additional load, plus West End growth



resulted in BPA building a 115KV line to a new BPA substation at Sappho.

From 1963 to 1969 construction was completed on the new warehouse and crew headquarters near the Port Angeles airport, the Forks office, the Port Angeles office, and an office and warehouse in Sequim.

In 1969 the District entered negotiations to purchase 500 acres of land on the Miller Peninsula for possible development of a nuclear power plant. Many residents of the Sequim-Blyn area did not appreciate this news. Upon further analysis, the seismic risks of the site made it inappropriate for its intended use.

1970s

As the 1970's grew near the District began to employ new technology. Computerized customer billing, accounting, payroll, voucher distribution, and engineering data for system design were installed.

A contract for nearly one million dollars was awarded in 1972 to install a treatment plant, intake structure, reservoir, and a distribution system for the Fairview Water System. The project has been expanded considerably over the years and continues to use Morse Creek as one of its water sources.

Significant conservation efforts started for the PUD in 1973 when an extremely dry winter limited hydro generation for the Northwest. Clallam County PUD developed a program called "Sav-A-Watt." The program encouraged customers to reduce electricity by limiting hot water use, turning off nonessential lighting, and limiting heater use.

Utility services escalated at a rapid pace. The first Treasurer was appointed and the Accounting and Data Processing Departments were formalized. Both Sequim and Forks increased staffing and an Operations Superintendent was hired for the western part of the county.

In 1975 the District joined the leading edge of technology with the purchase of microfilm equipment from Eastman Kodak for its records processing. In the late 70s, the District purchased its first mainframe



Betty Somerlott, Cashier, and Gene Beck, Serviceman and Foreman of the Clallam Bay-Neah Bay area. Their area includes substations at Neah Bay, Sekiu and Pryshi, with surrounding electrical distribution service areas, and water service to the communities of Clallam Bay and Sekiu. When major construction work is required, crews are dispatched from Forks or from Port Angeles.



computer. There were many system improvements. Local Utility District No. 3 water system was completed, several new substations were added, and the Port Angeles office was expanded.

1980s

In 1980 the District was one of ten utilities chosen to participate in the first BPA pilot weatherization program. The Conservation Resources Department was established for residential and commercial conservation incentive programs. A Senior Advisory Committee, composed of volunteers from the community, worked with staff in 1982 to develop a discount program for low-income senior citizen customers. A discount program for low-income disabled customers was instituted in 1990.

In 1985, a new office building was dedicated in Sekiu, and West End customers no longer had to be



served out of the Clallam Bay warehouse facility. A new underwater cable was installed in Lake Crescent in 1988.

1990s

On November 5, 1990, the voters of Clallam County authorized the PUD to offer sewage system services to its customers. In 1993 the District began operating the Sunshine Acres On-Site Sewage Disposal System at Diamond Point, and is in the process of acquiring the View Ridge Sewage Disposal System in the Deer Park Road area east of Port Angeles.

Clallam County has also authorized the District to monitor individual septic systems which have failed and whose funding for repair and maintenance comes from a grant received by the County.

In 1991, the District was one of eight utilities to commence negotiations with Bonneville Power Administration to form the Conservation and Renewable Energy System joint operating agency. The purpose of CARE is to acquire electric conservation and small renewable generation resources for use by its members and/or other participating utilities or for sale to Bonneville.

The Water Department continued its growth with the construction of Local Utility District No. 10 in 1991 that serves Greywolf Elementary School, the Port of Port Angeles Industrial Park, and residences on both sides of Highway 101 in the Carlsborg area. It was the first District project financed locally with the issuance of \$625,989 in minibonds.

In 1994 the District completed two substations in the Sequim area – Dungeness on Cays and Hogback Roads and Evergreen on Evans Road and Old Olympic Highway.

2000s

In 2000, the State Legislature authorized PUDs to sell wholesale telecommunications services. The District built a 24-mile redundant fiber optic link

between Port Angeles and Sequim to serve its own operations and to offer broadband connections to the public. Broadband will allow business and critical services, such as fire, law enforcement and healthcare to operate more efficiently and effectively. Sometimes called “the fourth utility” fiber optic cable connections are another service that the PUD will manage for the public good.

To keep pace with a rapidly developing digital world, Clallam PUD transformed its own operations to run on a connected network, with Internet telephony and centralized internal communications. The District will continue to explore new technologies to better serve the public and manage internal operations.

2010s

The PUD continues its strong record of successful energy conservation and living up to its mission of “Providing reliable, efficient, safe and low cost utility services in a financially and environmentally responsible manner.” Significant improvements with vegetation management, substations, facilities, and strategic planning have established a solid path for the future.

The PUD also began centralizing its facilities and operations in Carlsborg, thus creating new efficiencies and “one stop shopping” for the eastern part of the county.

Evolving

The history of the PUD is evolving. We are a utility owned by you, taxpayers and residents of Clallam County.



Going Ductless: *Why it works in manufactured homes*



**By Michael Currie,
Utility Services Advisor**

Let's start talking about your home's current heating system, an electric resistance forced air furnace that has ductwork attached as a delivery system of heat and comfort. Electric resistance heat is essentially a really big toaster in a tunnel with a fan blowing air past to heat your home. Given the fact that the tunnel is never completely air-tight, and is located in the portion of the house you don't want to pay to be heated, the crawl space, these systems create and deliver heat at a rate 2 to 3 times less effectively than newer technologies.

Enter the ductless heat pump. These new home heating systems use electricity to move heat from one space (outside) to another (inside your home). Exactly like your refrigerator removes heat from its interior and displaces it in your kitchen.

The science behind heat pumps is not new, however recent improvements have greatly increased the effectiveness of these units to move heat into your house.

Ductless heat pumps are the most affordable and effective heating systems available, combining the efficiency improvements of heat pumps while also entirely removing the duct leakage associated with furnace systems. And due to their compact size, ductless heat pumps work particularly well in manufactured homes. This is because most

manufactured homes have a great layout design that compliments the ductless heat pump's ability to maximize heating. Open air paths to the kitchen, dining room and living room, which are where we spend the majority of our time in our homes, are able to be heated by the most efficient means available. While the areas that most people prefer to have a little cooler, the bedrooms, remain a few degrees below the main areas of the home. And, like all heat pumps, they work in reverse to provide air-conditioning during the warmer summer months, again increasing comfort in areas an electric resistance furnace can't.

If you would like to find out more about ductless heat pumps, please contact Clallam County PUD's Utility Services Department today by either phone (360-452-3249) or email (Utility.Services.Info@ClallamPUD.net).

Learn more about the program online: <http://www.clallampud.net/dhp-incentive/>.

We'd love to talk to you about how this technology might fit into your specific home, and if you do decide to have one installed, we're currently offering an \$800 incentive towards ductless heat pumps installed in manufactured homes.

Act Now On The Window Incentive

Incentive Rebate Drops By Half October 1, 2015



**By Arne Traceski,
Utility Services Advisor**

Limited Time Opportunity!

Deadline approaching! Don't miss out! Update your old inefficient windows for energy savings and increase the value of your home.

If you have been putting it off, you should act now to get \$6.00 ft². The window incentive rebate will be going down by half to \$3.00 Ft² October 1, 2015. Act now to make sure you get every penny you deserve. Contact a PUD window or insulation installer now to schedule an appointment for your free estimate.

Learn More Online: <http://www.clallampud.net/high-efficiency-replacement-windows/>.

Windows Rebate Incentive Program changes

1. Current window program pays \$6.00 sq. ft. This will change to \$3.00 sq. ft. in October of 2015.
2. All installations must be completed and invoiced by then.
3. Homes must be electrically heated
4. Manufactured home and "stick built" both qualify for the incentive
5. Windows must be installed by a participating installer to qualify
6. Existing windows must be double pane metal frame or single pane wood frame



Here's your window of opportunity!

Don't miss out:

Update your old inefficient windows for energy savings and increase the value of your home.

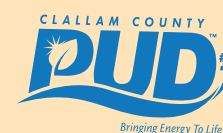
Spring into Savings!

If you've been putting it off, now's the time to get \$6.00 ft². The window incentive rebate will go down by half to \$3.00 ft² October 1, 2015.

Act now

... to make sure you get every penny you deserve! Contact a PUD window installer now to schedule an appointment for your free estimate by visiting the link below.

www.clallampud.net/high-efficiency-replacement-windows/



2431 E. Highway 101
P.O. Box 1090
Port Angeles, WA 98362
360-565-3249

Warm up to great savings with a DUCTLESS HEAT PUMP:



Reduce home heating costs by up to 40%!

DHPs are the most affordable and effective heating systems available, so DON'T WAIT:

Contact a PUD energy specialist now to learn about installations and qualifying rebates.

www.clallampud.net/dhp-incentive/

CLALLAM COUNTY PUD
2431 E. Highway 101
P.O. Box 1090 • Port Angeles, WA 98362
360-565-3249

Facility Update

The PUD facilities plan is on schedule and customers should be seeing significant progress at the Carlsborg “old Costco” site where the PUD is constructing a new Administration Headquarters. Late October 2015 is the scheduled completion of the new facility, with the facility opening sometime in late November or December.



We look forward to the increased efficiencies and the “one stop shopping” that the modern facility will create.

Water Conservation Tips

Here are a few simple tips from our partner at “Water Use It Wisely”



- 💧 Dishwashers typically use less water than washing dishes by hand. Now, Energy Star dishwashers save even more water and energy.
- 💧 When doing laundry, match the water level to the size of the load.
- 💧 If your shower fills a one-gallon bucket in less than 20 seconds, replace the showerhead with a WaterSense labeled model.
- 💧 Toilet leaks can be silent! Be sure to test your toilet for leaks at least once a year. To do this, put food coloring in your toilet tank. If it seeps into the bowl without flushing, there's a leak. Fix it and start saving gallons.
- 💧 Take 5-minute showers instead of baths. A full bathtub requires up to 70 gallons of water.
- 💧 Run your washer and dishwasher only when they are full. You can save up to 1,000 gallons a month.
- 💧 Check your sprinkler system frequently and adjust sprinklers so only your lawn is watered and not the house, sidewalk or street.
- 💧 Use drip irrigation for shrubs and trees to apply water directly to the roots, where it's needed.



The WA Department of Fish and Wildlife checking the water flow level of Morse Creek in June.

- 💧 Use a broom instead of a hose to clean patios, sidewalks and driveways, and save water every time.
- 💧 Turn off the water while you brush your teeth and save up to 4 gallons a minutes. That's up to 200 gallons a week for a family of four.

For more water conservation tips, visit www.clallampud.net/water-saving-tips/

Take the “Water Use It Wisely” Howe Water Audit: <http://wateruseitwisely.com/100-ways-to-conserve/home-water-audit/>

PUD Water Districts Are Not All The Same

It's been a challenging summer for water customers across the State of Washington, and in particularly here in Clallam County. We knew it would be a challenge when in March, Governor Inslee declared a drought emergency for the North Olympic Region due to the lack of snowpack, and on May 15th, the Governor declared a statewide drought emergency as well.

Since then, there have been different stages of water conservation either encouraged or required in some of the PUD's water districts. This has raised the question as to why one PUD water district may be on a different stage of water alert than another. It's a great question and the answer is somewhat simple – each water district is independent and receives its water from its own source. Therefore, each water district, which is also a Local Utility District (LUD), is managed independent of the others.

WATER DISTRICT MAP



What is an LUD? An LUD is formed when voters in an area choose to set up their own water district governed by the PUD. The PUD Commissioners serve as the governing board and set rates for each individual LUD. While LUDs share some administrative costs, other costs such as cost of water are not shared. There are no “postage stamp” rates for PUD's water customers – each LUD has its own rate due to its unique circumstance. Additionally, it should be noted that the PUD's Water Utility is separate from that of electric – each has its own budget as well.

Learn more about the PUD's Water and Wastewater Utility at: www.clallampud.net/water-wastewater/

