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WA-18

Public Power Week

Each October, publically owned utilities celebrate Public Power Week. This is a time to reflect on the benefits of public ownership, to be thankful that the decisions about your electric service are being made in your community and to consider the effects these decisions have on Klickitat County.

Your PUD is governed by three commissioners, elected by you. You choose who governs the PUD. A manager and staff are hired to operate the utility within the policies set by the board of commissioners.

We are public. By that I mean we are not owned by shareholders. We are owned by you and we are nonprofit. Your PUD employees and commissioners do not represent shareholders, they represent you. At the end of 2011 our net assets were approximately \$140 million. This means each customer has in the range of \$11,500 of value in this utility. This is an investment that allows benefits to accrue locally.

When we talk about keeping the utility financially sound, we are doing it to protect your long-term rates and ensure the utility is healthy well into the future. This means we make long-term decisions we believe will benefit our utility and, therefore, you. Not short-term investments that make our numbers look better and provide short-term profit for someone else.

When we make decisions, especially difficult ones, the people making those decisions are your friends and neighbors. We live and work here with you and understand our local economy and culture. We pay the same rates and get the same service you do. There are times

when it certainly would be easier to make decisions from far away, but being able to make decisions for our district locally is what helps make sure they are the right ones.



We do not set our rates and make expenditure decisions that we think will maximize profits, as private companies do. Private utilities go before utility commissions to justify the rates they charge. They don't go before their customers. They exist to create shareholder value, and to do that, they provide electric service. That's not bad, but it is not the way public companies operate. As a public utility, we exist to provide electric service and we do it for cost. It is why the citizens of Klickitat County voted on November 8, 1938, to form a public utility district for local control.

In celebration of Public Power Week and our 74th year of providing service to Klickitat County, we will host an open house Friday, October 12. I hope you will stop by either our Goldendale or White Salmon office for a visit. You can pick up information on PUD programs, pamphlets on our H.W. Hill Landfill Gas, White Creek Wind and McNary Hydroelectric Fishway projects, as well as other information.

Please bring your questions. We are glad to talk with you about the issues facing your PUD and the challenges facing our industry as a whole.

Jim Smith
General Manager