

HIGH LINES

A SEMI-ANNUAL NEWSLETTER
FOR THE CUSTOMERS OF
CLATSKANIE PUD

January 2009

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System Reliability Improvements a Priority for the CPUD

In light of the recent winter weather, including snow, ice, and flooding, numerous interruptions of service occurred. The majority of these outages, as has been the case over the last few years, were due to problems on the Bonneville Power Administration's (BPA) Alston-Astoria 115,000 volt transmission line which feeds three of the five CPUD's substations, including Clatskanie, Delena, and Bradbury. Improvements, both short and long term, to the transmission system have been developed by CPUD as well as BPA. BPA plans to install a sectionalizing station at the Driscoll Substation, located near Wauna. This means the District won't be so nearly affected by problems elsewhere on the BPA transmission system. While that is good news, that project won't be complete until late 2010. In the meantime, CPUD has already begun work on improving reliability for the core downtown Clatskanie area by re-working the distribution circuitry, which will allow it to be fed by the PUD's Wauna Substation, should the Clatskanie Substation go down due to a problem on the BPA 115 kV line. Breakers will also be installed at the Clatskanie Substation to help isolate transmission line problems and reduce the total outage time that we have been encountering all too frequently. A total re-build is now underway on the Clatskanie Substation to make it possible to serve from different substations when outages occur. These improvements, with others in the works, will allow for more reliable service to customers.



CPUD apprentice lineman Braden Lever (in bucket) and lineman Tony Perniconi repair lines damaged from a recent winter storm.

CPUD Signs 20 Year Power Sales Agreement

On November 19, the PUD Board of Directors adopted a Resolution which authorized the General Manager to execute a 20-year Power Sales Agreement offered by the Bonneville Power Administration. This contract, worth nearly three quarters of a billion dollars over the term of the contract, will allow the

District to readily integrate new resources and continue to serve customer loads in the most economical manner. While the contract still has a number of deficiencies, the District proceeded with signing the contract before the December 1st deadline. The District did reserve its

rights to challenge the contract in court to address the deficiencies.



We're on the web
www.clatskaniepud.com

Energy Savings Programs Available to Customers



An energy efficient house can help save you money

Would you like to lower your electric bill? Clatskanie PUD can help. If you haven't done so already, call the PUD to schedule a free analysis of your home. A PUD energy service representative will come to your home and discuss several options to make your home as energy efficient as possible. Many of these options can include a cash rebate from the PUD, including the replacement of old windows, sealing your furnace ducts, installing a high efficiency heat pump or insulating your floors, walls, and/or attic. Another way to save energy and money is to replace your old appliances with qualified Energy Star Appliances. Currently, if you purchase a qualified clothes washer, freezer, dishwasher, refrigerator or water heater, you are eligible for a \$50 rebate. To find out if your appliance

qualifies, contact the PUD. Two other Energy Star Programs available through the PUD are the Energy Star constructed home program and the Energy Star manufactured home purchase. Another energy savings tip is to install compact fluorescent light (CFL) bulbs. You can stop by the PUD office today and pick up a free CFL bulb while they last. CFL's use 2/3 less energy than a standard bulb and last up to 10 times longer, which helps reduce green house emissions that are linked to global warming. You may also bring your old CFL's to our office for proper disposal. If you have any further questions regarding our energy savings incentives and rebates, please stop by or call the PUD at (503) 728-2163. We recommend that you find out if you qualify for a rebate before you start the work.

Arrowrock Hydroelectric Project Construction Underway

One of the last major steps was completed recently in the long process to build a 18,000 kilowatt hydroelectric project at the Arrowrock Dam on the Boise River in Idaho. Clatskanie PUD and five irrigation districts from Idaho and Oregon, including Boise-Kuna, Nampa & Meridian, New York, Wilder and Big Bend, are developing the project, with the PUD purchasing the average 81 million kilowatt hours of electricity expected to be produced annually, about 7% of the District's needs. Last September, the Boise-Kuna Irrigation District issued and sold \$41 million

in bonds to finance the project. These same five Irrigation Districts also own and operate the 101 megawatt Lucky Peak hydro-electric power plant located downstream of Arrowrock Dam, with that output sold to Seattle City Light. A groundbreaking ceremony took place in late October. Leo Quiachon, Clatskanie PUD Project Manager, reports the project will be built in stages, with blasting, excavation and concrete construction of the powerhouse now well underway. The target completion date is June 2010.



Photo on file of Arrowrock Dam

PUD Embarks on Building New Headquarters



Existing office at 469 North Nehalem St.

With limited space at the existing location, the PUD considered two options based on a previous architect study. We could either undergo a major remodel at the existing site or find a new site. Pursuing a new location option, the PUD purchased the old Valley Mobile Home Park property last July. The property consists of nearly 9 acres conveniently located along Highway 30, near the downtown area. The new location will house a new headquarters office, warehouse, and pole yard. Initial clearing and filling of the property has been

completed, allowing for compaction during the winter months. Steele Associates, of Bend, has been selected to start the architectural studies for the PUD. Actual construction of buildings is planned to start this summer. The PUD is excited about consolidating all of the services and buildings into one location. Greg Booth, General Manager, said it is possible that the PUD could be moving into the new office by the end of next year.

Meet Your Board of Directors

Clatskanie PUD is governed by five locally elected, nonpartisan Board of Directors; each representing the five subdivisions of the District's service territory. Pictured are the current Board of Directors, along with their subdivision and present title on the Board. Gillespie has served the longest on the Board, since 1993. The other four Directors are fairly new to the Board, with Hooper being appointed in 2006 and Wiggins, Petersen and Willey all appointed in 2007. Each Director's term lasts four years and then they must run for election during the general election. Four of the five Directors (all but Hooper) ran unopposed this last November general election.

Anyone who is a registered voter and has lived within the Clatskanie People's Utility District service area for two years, is eligible to run for office of Director in the subdivision in which they reside. The role of a Director means being directly accountable to the customers and requires a commitment of time and energy on behalf of the PUD. The Board of Directors has one regularly scheduled Board meeting a month, the third Wednesday at 7 p.m., which the public is invited to attend. For a current meeting schedule, call our office or visit our website:

www.clatskaniepud.com



Janet Willey, Director Subdivision 3; Quincy and South Clatskanie Precincts



Merle Gillespie, President Subdivision 2; City of Clatskanie, Precincts 1,2,3



Don Hooper, Vice-President Subdivision 4; North and South Delena Precincts



Steve Petersen, Secretary Subdivision 5; City of Rainier, Precincts 1,2



Bob Wiggins, Treasurer Subdivision 1; Marshland and North Clatskanie

Residential Rate Comparison

The Chart below compares Clatskanie PUD residential rates to others in the region. Prices are based on the average residential electric customer using 1,200 kilowatt hours per month.

Clatskanie PUD	\$42.60*
Chehalis	\$60.85
Longview/Kelso	\$61.44
St. Helens	\$70.80
Tillamook	\$92.00
Vancouver	\$94.72
*Includes Co-Generation discount of \$.004/kWh; Rainier residents would pay an additional \$12.00 due to the acquisition charge	

Did You Know
25 years ago, CPUD customers would have paid \$52.29 for the same 1,200 kWh per month, approximately 19% higher than now.

CPUD to Begin Publishing Semi-Annual Newsletter



Greg Booth
General Manager

Many customers may remember “Newslines,” a newsletter that was published several years ago. Since then, CPUD has utilized the District’s website, the “Back of the Bill,” and local media for relaying information to customers. We are pleased to introduce “HIGH LINES,” a new semi-annual newsletter. We plan to distribute this publication in January and July, in addition to the back of the bill. The PUD is committed to keeping you informed on important issues happening with the District. Should you have any comments or suggestions about a future article, please contact Greg Booth or Becky Rakoz, HIGH LINES Editor, at (503) 728-2163.

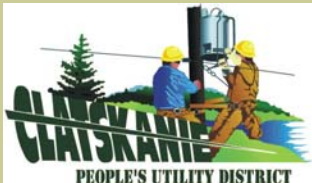
Clatskanie People’s Utility District

Mission Statement

The Pacific Northwest’s Leading Public Power Innovator

Vision Statement

Creating economic advantage for our communities by providing the best energy value for all of our customer-owners



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