



*Owned by the People We Serve*

**Board of Directors**  
Merle Gillespie  
Don Hooper  
Stephen D. Petersen  
Bob Wiggins  
Janet Willey

**General Manager**  
Gregory A. Booth

December 1, 2011

Dear Customer-Owners:

Effective January 1, Clatskanie PUD customers will see an increase in electric rates. This is a result of the Bonneville Power Administration (BPA) wholesale power rate increase of about 8 percent which went into effect October 1. BPA supplies about ninety percent of our power supply, and power supply accounts for about eighty percent of our total costs.

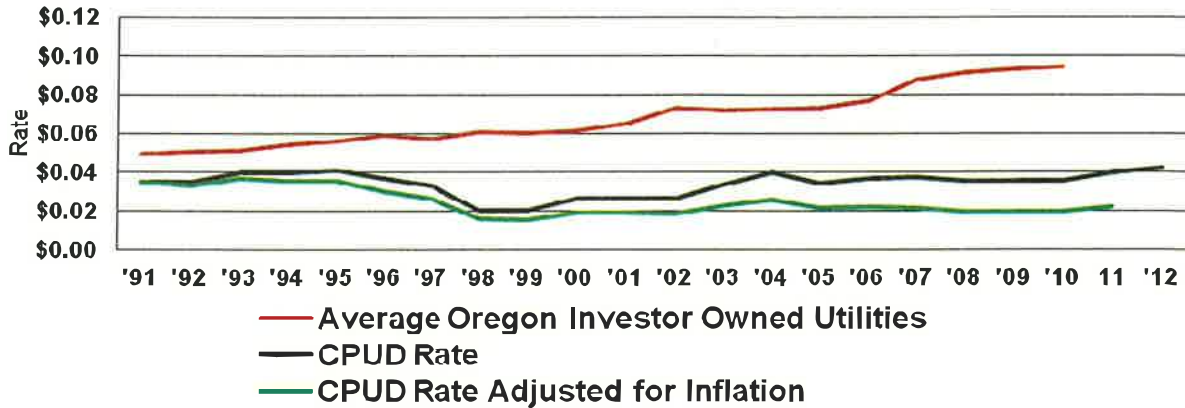
In order to meet our financial requirements, the CPUD Board of Directors at their October Board meeting approved new rate schedules, raising residential rates by about 7%, effective January 1, 2012. In addition, the minimum bill charge was increased from \$8 to \$10 per month for residential and \$19.40 to \$20 per month for general service. These levels had not been adjusted for about 15 years.

The new rate will be applied to meter readings on or after January 1. A typical monthly residential electric bill for 1,500 kWh would increase by about \$4.50. CPUD residential customers pay about half to two-thirds of what customers of other electric utilities pay. Our rates have remained very stable over the last twenty years, as shown in the graph on the back of this letter.

Sincerely,

Greg Booth  
General Manager

**CPUD Residential Rate With Discount Benefits  
Compared to Average Oregon Residential Investor-Owned  
Utility Rates - 1991 to 2012  
(Per KWH)**



**How do Clatskanie PUD residential rates compare with other utilities?**

Rates as of January 1, 2012

	Basic Charge	Charge for 1,500 kWh	Total Bill
<b>Clatskanie PUD</b>	<b>\$0.00</b>	<b>\$63.75*</b>	<b>\$63.75</b>
Lewis County PUD (Chehalis)	\$13.00	\$73.65	\$86.65
Columbia River PUD (Deer Island)	\$8.00	\$91.05	\$99.05
Cowlitz County PUD	\$7.00	\$99.00	\$106.00
Tillamook PUD	\$16.00	\$100.50	\$116.50
Clark Public Utilities (Vancouver)	\$12.00	\$122.40	\$134.40
Pacific Power (Astoria)	\$9.00	\$142.09	\$151.09
Portland General Electric	\$9.00	\$152.02	\$161.02

\*Includes current cogeneration benefit of \$.003/kWh; does not include the additional facilities charge of \$.01/kWh for Rainier customers to recover system acquisition costs, which is expected to end by 2013.