

## **Grays Harbor PUD Responds to Proposed Rate Increases**

### **Local News**

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ABERDEEN, Wash. - Grays Harbor PUD is expressing concern and disappointment in response to a proposal by the Bonneville Power Administration to raise power rates by 8.5% for fiscal years 2011-2012. The agency filed the proposal Thursday in the Federal Register. The proposal launches the public process called a "rate case" which will set the rate for a two year period beginning October 1, 2011. The proposal would result in an estimated increase in power costs to Grays Harbor PUD of approximately \$843,000 in 2011 (October 1-December) and more than \$3 million in 2012. "We are disappointed to see this level of rate increase proposed by BPA," said Rick Lovely, General Manager of Grays Harbor PUD. "This would have a significant impact on what ratepayers pay for electricity and is especially concerning in light of the fact that BPA continues to pursue activities which are costly to public power and provide no benefit to customers of consumer-owned utilities," he said.

In 2009, Grays Harbor PUD objected to a wholesale power rate increase averaging 7% urging the agency to "undertake all measures to avoid a wholesale power rate increase". "What we said in 2009 applies to the proposal today," said Rick Lovely. "We still believe changes in policy decisions could not just decrease the size of the rate increase, but could actually make it unnecessary." The measures suggested by Grays Harbor PUD included: Discontinuing power sale agreements with aluminum companies that require cost increases to consumer owned utilities. Eliminating cash payments to customers of investor owned utilities that still owe BPA millions of dollars as the result of illegal payments previously made by BPA. Identifying and implementing BPA program cost savings "We recognize there are some legitimate cost increases BPA is facing but believe there is opportunity for changes that would provide relief from this proposed rate increase," said Lovely. "We plan to be an active voice in the rate case process."