

## **Grays Harbor PUD Seeks Input on Possible Settlement**

### **Local News**

Posted by: David Haviland

Posted on : March 22, 2011 at 10:00 am

ABERDEEN, Wash. - A meeting next month will discuss a possible settlement with the Bonneville Power Administration regarding the Residential Exchange Program. Liz Anderson with the Grays Harbor PUD tells us following a court victory, over BPS rates in 2001, for consumer-owned utilities including Grays Harbor PUD the litigation is continuing over the amount due and how the exchange payments are calculated going forward. In an effort to settle the litigation, some representatives of investor-owned utilities and consumer-owned utilities developed a "Settlement" that is currently under consideration by consumer-owned utilities throughout the region. The Settlement would obligate customers of consumer-owned utilities to pay fixed amounts for the Residential Exchange for 17 years, ranging from \$182 million (total for public power) in the first year to over \$286 million in 2028. The Grays Harbor PUD Board of Commissioners is reviewing the Settlement terms and considering the best option for ratepayers. The forum Thursday, April 7, 2011 from 6pm-8pm will provide an opportunity for a dialogue with ratepayers to discuss the proposal and Grays Harbor's position.

What: The Grays Harbor PUD Board of Commissioners will hold a public forum to provide information about the Residential Exchange Program and a proposed settlement agreement to resolve ongoing litigation related to the program. Under the program, ratepayers of consumer-owned utilities, including Grays Harbor PUD, make payments which are sent to residential and small farm customers of investor-owned utilities. The forum will provide an opportunity to learn about the Residential Exchange Program, ask questions and provide public input on the topic. When: Thursday, April 7, 2011 from 6pm-8pm. Where: Grays Harbor PUD Commission meeting room located at 220 Myrtle Street, Hoquiam. Details: Currently about 7% of the energy charge paid by Grays Harbor PUD ratepayers is collected by the Bonneville Power Administration and distributed to residential and small farm customers of investor-owned utilities under a program called the "Residential Exchange," established by the Northwest Power Act of 1980. The Residential Exchange and how it is carried out has been, and continues to be, the subject of controversy and litigation in the region, as it has a real impact on what ratepayers pay for electricity.

The level of payments for the program resulted in litigation when BPA illegally overcharged consumer-owned utilities beginning in October 2001. This resulted in a successful court victory for consumer-owned utilities, including Grays Harbor PUD, and reimbursement of a portion of past overcharges. However, the litigation is continuing over the amount due consumer-owned utilities and how the exchange payments are calculated going forward. In an effort to settle the litigation, some representatives of investor-owned utilities and consumer-owned utilities developed a "Settlement" that is currently under consideration by consumer-owned utilities throughout the region. The Settlement would obligate customers of consumer-owned utilities to pay fixed amounts for the Residential Exchange for 17 years, ranging from \$182 million (total for public power) in the first year to over \$286 million in 2028. The Grays Harbor PUD Board of Commissioners is reviewing the Settlement terms and considering the best option for ratepayers. The forum will provide an opportunity for a dialogue with ratepayers to discuss the proposal and Grays Harbor's position.