Commissioners:
Thomas J. Farmer, President
Linda R. Gott, Secretary
Bruce E. Jorgenson, Vice President

Mason County PUD No. 3 is a community-owned and governed utility, created to provide safe, reliable and cost-based electric and wholesale telecommunication services. PUD 3 strives to meet the community’s expectations through responsive customer service; an educated, well-trained staff; a strong commitment to protect and improve the public’s investment in the utility; and the wise and efficient use of the community’s resources.

The former PUD 3 administration building was built in 1958. The Mason Conservation District has made an offer to purchase the building.

Offer Accepted on Downtown Administration Building
Mason Conservation District to Move its Offices to Downtown Shelton

Mason PUD 3’s former administration building in downtown Shelton appears on its way to another productive chapter in its long-storied life on Cota Street.

On September 23, PUD 3 commissioners approved a proposal to sell the property to the Mason Conservation District. The plan envisions an intergovernmental transfer of the property to the conservation district, which will use it for office space.

The sale includes the administration building, built at 307 west Cota Street in 1958, a small adjacent park, and off-street parking.

The PUD has worked diligently to ensure that its Cota and Grove Street properties be occupied by new tenants and to attract community members to downtown Shelton, benefiting local businesses and service providers.

In 2013, Northwest Resources purchased the PUD’s former engineering building on a half-block site at the corner of Third and Grove Streets. The facility, undergoing impressive renovations, houses Northwest Resources’ counseling services.

The PUD relocated operations, engineering, administration and customer service functions to the Johns Prairie operations center in 2012.

The PUD maintains a payment center and telecommunications co-location facility at 310 West Cota Street in downtown Shelton.

Mason County PUD No. 3
Utility Fuel Mix Report
Legislation passed in 2000 directed electric utilities in Washington to report their fuel mix to customers each year.

The 2012 fuel mix for PUD 3** (reported in 2013) listed as a percentage of the total is:

<table>
<thead>
<tr>
<th>SOURCE</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biomass</td>
<td>0%</td>
</tr>
<tr>
<td>Coal</td>
<td>2%</td>
</tr>
<tr>
<td>Cogeneration</td>
<td>0%</td>
</tr>
<tr>
<td>Geothermal</td>
<td>0%</td>
</tr>
<tr>
<td>Hydroelectric</td>
<td>87%</td>
</tr>
<tr>
<td>Landfill Gases</td>
<td>0%</td>
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<tr>
<td>Natural Gas</td>
<td>1%</td>
</tr>
<tr>
<td>Nuclear</td>
<td>9%</td>
</tr>
<tr>
<td>Other</td>
<td>0%</td>
</tr>
<tr>
<td>Petroleum</td>
<td>0%</td>
</tr>
<tr>
<td>Solar</td>
<td>0%</td>
</tr>
<tr>
<td>Waste</td>
<td>0%</td>
</tr>
<tr>
<td>Wind</td>
<td>1%</td>
</tr>
</tbody>
</table>

TOTAL 100%

Bonneville Power Administration Battles Financial Challenges

Fish & Wildlife Costs, Dam & Energy Transmission Upgrades

Elliot Mainzer, CEO of the Bonneville Power Administration (BPA) was in Shelton September 15, explaining to PUD 3 staff and representatives of nearby utilities the financial and organizational challenges of his agency. His message included a warning that the price of electricity and the cost of getting it to local utilities will be going up.

The price of wholesale electricity sold to Mason PUD 3 and other public utilities in the region will most likely increase by nearly seven percent. Transmission rates are expected to go up by about ten percent. Upgrading aging dams and power lines are a big part of the increase. However, at nearly a billion dollars per year, fish and wildlife programs take a big slice out of electricity rates. Nearly a quarter of your local bill goes towards these wildlife programs.

How does all this affect what you pay each month for electricity? Nearly half of the annual budget of Mason PUD 3 goes towards buying electricity from the BPA. Added to that, almost five percent of PUD 3’s energy purchases go towards meeting Washington State’s renewable energy law.

PUD 3 works hard to control the cost to maintain and build local infrastructure. These costs are mainly influenced by the price of materials and equipment used to keep your electrical service reliable and safe.

It can only do so much to offset increases in wholesale power and meet state energy laws. Commissioners will be considering changes in the local price of electrical service during upcoming budget considerations.
PUD 3 Celebrates 75 Years of Service
Is Now One of the Most Awarded Utilities in Washington State

75 years ago, supporters of Mason Public Utility District Number 3 emerged victorious from hard fought political and legal battles to claim the right to obtain cost-based and locally controlled services from their own utility.

Although the triumph was part of a larger groundswell in Washington State, the benefits for rural residents of the county resulted in a reliable source of affordable and clean energy.

In the early part of the 20th century, electricity - for those who could afford it - was a luxury. Folks who lived in rural areas of much of the country lived “off the grid” and experienced hard lives. You needed a strong back to chop wood for cooking and heating, hand wash clothes, pump water, or do just about anything else.

Enter the Washington State Grange. In 1929, the Grange collected more than 60,000 signatures – twice the number necessary - to send Initiative No. 1 to the Legislature, allowing rural communities to form publicly owned utilities.

When the Legislature failed to act, the measure went to a statewide election, where it passed in 1930 with 54 percent of the vote.

Supporters of Mason PUD 3 planted the seed for today’s electrical utility in 1934 by filing a petition with the Mason County Auditor for the formation of a countywide PUD. Despite strong opposition from private power interests, local voters approved the measure. PUD 3 had to take its case all the way to the Washington State Supreme Court, where in 1939 it won the right to begin local operations.

In May of 1939, Mason PUD 3 began providing electricity to eight customers. Over the years, PUD 3 has grown to where it now provides service to nearly 33,000 customers in most of Mason County and small portions of Kitsap, Grays Harbor, and Pierce Counties.

The PUD has almost 1,600 miles of overhead and underground lines to serve its customers. The PUD also provides wholesale telecommunications services in its service area through a fiber optic network.

There are 28 public utility districts in Washington State, each governed by a locally elected board of Commissioners. The commissioners are responsible for establishing policy for utility operations, and have sole responsibility for setting rates for services provided to customers.

Unlike power companies, which are responsible for making money for shareholders, public utilities provide service at cost. In fact, public power communities in Washington State have among the lowest electricity rates in the country. Mason PUD 3 has lower rates than surrounding utilities.

PUD 3 works hard to serve its customers with safe, reliable and cost-based service. It has received consistent recognition of the excellence of its financial management, independent certification of the excellence of operational reliability, and its community outreach.

Such recognition allows the PUD the opportunity to benchmark its performance against other, similar utilities. In testing its operations in this way, the PUD is pleased with the positive reflection on all its employees who strive every day to protect the investment the community has made in the utility for the last 75 years… and the many years to come.

PUD 3 has received recognition for:

- Local support of community-wide service and economic development organizations
- A sustained level of excellence in financial management: over three decades of clean audits from the Washington State Auditor’s Office.
- Northwest Public Power Association and American Public Power Association Awards for its annual report.
- Diamond level certification in the Reliable Public Power Provider designation from the American Public Power Association. Recognition for providing customers with the highest degree of reliable and safe electric service. One of only 29 utilities in the country to receive this level of success.
- Recipient of Northwest Public Power Association Excellence in Communication awards.
- Top award in its class for the 2014 Northwest Public Power Association’s Safety program.

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Be Prepared for Storm Season

If outages occur during a storm, PUD 3 will work as quickly and safely as possible to restore electricity. Do not approach downed lines. Always assume they are energized. Call the PUD to report them.

Have Supplies on Hand

Be prepared for disasters by putting together an emergency kit. Your supplies should include 3 day supplies of:

- Battery-powered radio
- Flashlight, and extra batteries
- Candles
- Matches
- Medicines
- First-aid supplies
- Bottled water
- Non-perishable food.
- Don’t forget the needs of your pet.

Follow Outages Online:

www.facebook.com/masonpud3
www.twitter.com/pud3

You can monitor the status of outages via our social media services, but the best way to report outages is via the outage hotline at 360-432-1533.

To Report a Power Outage Any Time Call:

Shelton: 360-432-1533
Belfair: 360-275-2833
Elma: 360-861-4247
PUD 3 Employee Spotlight

Nick Earsley has been with the PUD for over 34 years. He does woodworking in his free time.

Nick Earsley, long-time PUD 3 employee, is just as talented out of the office as he is in the office. Nick started at the PUD over thirty-four years ago as a student draftsman. Only three other current employees have been with the PUD longer than Nick. He’s now PUD 3’s Maintenance Engineering Supervisor. His department ensures that power lines are in good shape from the substation to your home.

Nick is on-call most days as the PUD’s first responder to many utility related emergencies. These include car/pole accidents and house fires that need the power disconnected for safety.

His favorite pastime is woodworking. His work reveals how talented he really is. He started woodworking as a teenager and took up the hobby again around 2004. Everything he builds uses recycled materials, so he’s always on the lookout for salvaged wood. He says most of his projects are for charity. While he has traded a few pieces, he has only sold one. His most recent project (below left) is a porch swing for the Karen Hilburn auction.

Nick’s family (he has nine siblings) moved to Hoodsport when he was eleven years old. He attended Hood Canal School and went on to graduate from Shelton High School (SHS). He and his wife Cheryl have two girls, Morgan and Eryn. Morgan will graduate from Washington State University this year. Eryn is a sophomore at SHS.

Many customers know Nick. His friendly demeanor is always an example of how Nick views the role of the PUD in our community. He says, “It’s all about our customers. We’re just here to keep the lights on.”

Recycle Your Refrigerator for Cash!

That second, aging refrigerator in your home or garage may be a lurking energy hog.

You can get a $30 rebate check from PUD 3 by recycling your refrigerator with JACO Environmental Inc. In partnership with the PUD, JACO will come to your home to pick up and recycle your working residential-style refrigerator or freezer (10 cu. ft. or larger). To see if your refrigerator qualifies, visit our website below for details. Call to schedule an appointment with JACO, at 1-877-577-0510, or visit www.jacoinc.net. Limit two (2) per household.