PUD 3 NEWS

Spring 2016
A publication of
Mason County PUD No. 3

Mason County PUD No. 3 is a community-owned and governed utility, created to provide safe, reliable and economical services, 24/7. 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.

Look Inside for important updates that affect your account!

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

“Always Providing Safe, Reliable, and Economical Services. 24/7.”

Updating Our System for Your Benefit
Software Conversion Improves the Customer’s Experience with PUD 3

The key to running a successful utility is ensuring all aspects are streamlined and on point. From the office to the field to tracking resources to better managing personnel—it’s important to ensure every cog in the utility’s operation is working as efficiently as possible. Providing our customers with safe, reliable and economical services is our mission and we strive to do that more efficiently.

We also know our customers value great customer service and easier and more convenient tools to manage their accounts. In response, PUD 3 is updating its software to allow for more tools and services for our customers while streamlining our jobs along the way.

For years, the PUD has had the same software system that does everything from accounts payable to tracking work orders and managing customer accounts. Employees lovingly refer to it as the “green screen.”

While this outdated system was robust, it is no longer being maintained by the vendor. The new system will provide tools that work together, increasing our employee’s mobility, knowledge base, and communications while improving our engagement with customers. All while making day-to-day tasks easier, faster and nearly paperless.

Beginning May 2, PUD 3 will ‘go live’ with the new enterprise software solution. The system is part of the overall grid modernization project and one component of the utility’s long-term system-maintenance and financial plan. Look inside this month’s newsletter to see many of the new features and benefits coming soon for our customers.

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>Hydroelectric</td>
<td>87%</td>
</tr>
<tr>
<td>Nuclear</td>
<td>9%</td>
</tr>
<tr>
<td>Coal</td>
<td>2%</td>
</tr>
<tr>
<td>Natural Gas</td>
<td>1%</td>
</tr>
<tr>
<td>Petroleum</td>
<td>0%</td>
</tr>
<tr>
<td>Other</td>
<td>0%</td>
</tr>
<tr>
<td>Wind</td>
<td>1%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100%</td>
</tr>
</tbody>
</table>

Coming May 2, 2016

Beginning in May, PUD 3 is making several changes to how customers pay their bills and manage their accounts.

Smart Hub is a convenient, two-way communication program that allows customers to access their PUD 3 electric account information through personal computers, and mobile devices, including iPhones, iPads, and Android smart phones and tablets.

The online bill payment and account management system is intuitive and easy-to-navigate, but it provides so much more than just bill payment. In the near future, customers will also have the ability to view and monitor their electrical usage, allowing you to make smart energy-saving choices to reduce your energy waste.

With Smart Hub, You Can:

• Pay your bill immediately with secure payments.
• Reduce the paperwork hassle by signing up for paperless billing and auto-pay.
• View monthly usage and history, including daily and hourly kWh for all meters with advanced technology.
• Manage your account information directly and track payment history online when it’s convenient for you.
• Sign-up to receive notifications via e-mail or text message concerning activity on your account.
• Contact our office to initiate various customer service requests.
• Report a power outage.

PUD 3 is proud to provide you with powerful, secure and convenient account access via SmartHub. Sign up after May 2nd for an online account and begin to experience the new and exciting features of SmartHub!

New Website

New and Enhanced Online Bill Payment System

Update Your Online Profile After May 2nd

Click here to update existing or create a new online account

> New interactive tools to help manage your account
> Easy to find information
> Front page system outage notifications
> Up to date information on PUD projects and initiatives
> Simple tips and tools to save money on your bill
> Online forms and applications
> More videos and graphics

Coming May 2: www.masonpud3.org
PUD 3 Supports Electrical Science

Three Outstanding Students Recognized by PUD 3 at Skookum Rotary’s Annual Science Fair

Three local students received trophies and cash awards from PUD 3 for their electricity-related projects at Skookum Rotary’s March 19, 2016 Mason County Science Fair.

PUD 3’s education committee is pleased to reward outstanding students in Mason County who are committed to learning about the important role that electricity plays in our daily lives. The PUD is especially pleased that Skookum Rotary has taken a leadership role in encouraging local scholars in their scientific pursuits.

What is Grid Modernization?
System Updates will Help Support a Reliable and Sustainable Future

PUD 3 is starting a grid modernization project this year that will use technology to more efficiently manage and send electricity over power lines to Mason County homes and businesses.

At the core of this upgrade is the installation of new, advanced meters and improved communications with PUD equipment that controls the electric distribution system.

For customers, it means the ability to manage electricity use online by seeing day-to-day and hourly consumption patterns, without having to wait for a monthly statement. The project will safely and securely put more information in your hands.

For PUD 3, it means using leading edge, proven technology to improve the delivery and quality of high voltage electricity; catch outages as they happen; reduce greenhouse gas emissions; and, have a more efficient and safe meter reading process.

PUD 3 will start replacing meters this year. It will take about three years to finish the project.

Funds for grid modernization came from a 2010 bond sale. Money was set aside in reserve for the project.

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Take a moment to see how advanced meters collect the readings from your meter and sends it to Mason PUD 3 through a secure network.

Current Metering
Manually read by meter readers monthly
Creates chance for billing errors and estimations.
You must call in to report power outages.

Advanced Metering
Meters send data remotely
Will enable you to view energy-use data daily, empowering you to make energy-saving choices
Will alert PUD 3 if there are power outages, resulting in a faster response.

Call our office with questions about your new online account or visit masonpud3.org

You can learn more about the Grid Modernization project here: www.masonpud3.org/gridmod
PUD 3 Employee Spotlight
Carlton Sessoms - PUD 3 Meterman

PUD 3's Journeyman Meterman, Carlton Sessoms, started with the utility in October, 2014. He graduated from Snohomish High School and moved to Shelton from the Seattle area. Carlton completed his apprenticeship with Seattle City Light before taking this position with PUD 3.

The Meterman title is often confused with Meter Reader, but the positions are actually quite different. A Meter Reader is an entry level position at the utility who travels around the county and physically records the reading from a meter’s register so that a monthly bill may be processed. A Journeyman Meterman is a highly trained technical position, specializing in the operation and communication of each type of utility meter. They must go through a rigorous apprenticeship.

In addition, Carl must remain familiar with various types of software that allow him to program and test meters. He also tests other external metering equipment such as current and potential transformers, and is responsible for the wiring of transformer-rated services. Carlton operates a variety of test equipment in order to accomplish these tasks.

Due to his interactions with PUD 3 customers, Carl is also responsible for communicating with our customers in a clear, non-technical manner so that they too can understand basic metering concepts.

His job is getting bigger too. With Grid Modernization, Carl will be busy installing and training other PUD employees to install modern meters throughout PUD’s service territory. He will also be ensuring safe & convenient access to each meter as well as ensuring transformer rated and three-phase metering is operating safely and accurately.

One of the key benefits of Grid Modernization that Carl is looking forward to is that the ability to analyze voltage & current vector diagrams remotely. These diagrams are one of the most important diagnostic tools of the trade, and Carl says the ability to view them remotely “saves an extra trip to the meter location and saves the ratepayers money.”

But even with how busy he is at work, Carl is grateful to work and live in a place that allows him to spend quality time with his family. Carl and his wife, Wendy, homeschool their kids who are very involved in sports and their church. Carl says the family enjoys how peaceful and quiet our community is compared to the big city.

Commission Opposes I-732
If Approved, PUD 3 Customers Would be Charged a Tax on Electricity that is already 97% Carbon Free

Increased taxes on electricity customers, unclear impacts on the Washington State budget, and concerns over measuring emissions from power generation prompted the PUD 3 board of commissioners to adopt a resolution opposing the Carbon Tax Initiative 732.

“The intent of the initiative is admirable,” said Linda Gott, commission president. “However, Mason PUD 3’s electricity is already 97 percent carbon free. Based on studies from the Washington PUD Association, the tax on our electricity that comes from natural gas and coal could increase costs to our customers between $567,000 and nearly $1.9 million in the first year alone.” (Depending on high or low water years for hydroelectric generation.)

In addition, the initiative suggests using the Washington State Fuel Mix report for monthly tax calculations. The report comes out once a year. The basis of some of its computations are not clear. Reporting the fuel mix, charging the customer an estimated tax monthly, and truing up that tax at a future date, is extremely difficult and costly to administer.

Supporters of the initiative say it provides cleaner energy solutions by taxing carbon, while offsetting increased costs with tax breaks. The basic elements of the initiative include*:

- A $25 per ton tax on fossil fuels.
- A reduction of the state sales tax.
- Funding a “Working Families Tax Rebate.”

Customers would see the impact directly as the tax would be listed as a separate item on their bill.