



A look at the PUDs Otto Street campus with 191 Otto in the foreground and 193 Otto in the background.

# PUD Expands, Purchases Former AP&T Building

June 2024 Newsletter

The PUD Board of Commissioners approved the purchase of the Alaska Power & Telecom (AP&T) building at 193 Otto Street during a special meeting on May 13, 2024. The 6,812-square-foot building features 21 office spaces, two network rooms, and a dedicated conference space.

The PUD entered a purchase agreement for the appraised amount of \$1.16M, with an additional \$125k allocated for onsite office equipment. The property was purchased using PUD reserve funds. The building served as AP&T's corporate headquarters from 2002 until its headquarter relocation to Ketchikan, Alaska this year.

"Adding the AP&T building and making an Otto Street campus for the PUD was an easy choice," said PUD General Manager Kevin Streett. "It's a great opportunity to add some much-needed staff space." The new building shares

space with 191 Otto, which was purchased by the PUD in 2022. Streett expects staff to begin occupying the space in June.

PUD staff had explored expansion options for the PUD's 310 headquarters facility, which currently has 24 office spaces. An estimated \$4M remodel would be needed to gain less than 40 office spaces total. The purchase of 191 and 193 Otto Street added nearly the same number of office spaces for half the cost.

The PUD currently employs 76 staff members between its water, electric, and broadband divisions. The number of employees is expected to reach 100 before 2030.

The PUD recently added a safety manager, a service technician position for residential and commercial line connections, and a customer service manager.

The PUDs broadband division

continues to grow, adding staff to build and maintain fiber services countywide.

"We're scaling quickly to keep up with our services while ensuring we have adequate workspaces for our team members," said Melanie Des Marais, PUD Human Resources Director. "We aim to be an employer of choice in our community and provide local career opportunities."

Local staff saves the utility money by reducing reliance on contract crews, while improving service reliability and response time.



The new office provides up to 21 offices, plus meeting space.

## Pre-Scheduled Electric Rate Increase Begins July 5

The fourth of four rate increases approved by the PUD Board of Commissioners in 2021 goes into effect on July 5th. Rate increases were instituted gradually to reduce short term impacts on ratepayers while helping to cover the cost of providing service and fund maintenance and replacement of the PUD's aging grid.

Effective Date:	July 5, 2021	July 5, 2022	July 5, 2023	July 5, 2024
<b>Basic Charge:</b>				
Single Phase	\$ 21.00	\$ 23.50	\$ 26.00	\$28.50
Three Phase	30.65	34.30	37.95	41.59
Low Income Credit:	(44.84)	(50.18)	(55.51)	(60.85)
<b>Energy Charge per kWh:</b>				
Tier 1 (0 - 600)	\$ 0.0882	\$ 0.0908	\$ 0.0936	\$ 0.0966
Tier 2 (601 - 1,600)	0.1070	0.1102	0.1136	0.1172
Tier 3 (Greater than 1,600)	0.1218	0.1254	0.1293	0.1334

# PUD Commission Explores Capacity Charge

The PUD purchased an aging grid, and portions of the grid are at capacity for current customers. New development on those systems risks decreased service reliability for existing customers. The proposed capacity charge would recover costs from new customers, both residential and commercial, with funds going directly toward expanding the existing grid for all customers.

Electric service fees for new construction are dependent upon the service size needed. The 100% max proposed fee for electrical is \$112/kVA, meaning the capital fee for a 200A (48kVA) residential service, would be \$5,376. The PUD commission is exploring a reduced percentage under the 100% max and even further reductions for affordable housing projects.

The current Equivalent Residential Unit (ERU) water service charge starts at \$2,000 and is dependent upon service location. The updated 100% max charge for water would be \$4,065 per connection.

Capacity service charge aid general facilities upstream of the customer which are not recovered from existing fees. Revenue from capacity charges will only be used for capital or debt service. The proposal is seeking Board approval for implementation in 2024.

# \$200 Energy Credit available to Income-Qualified Households

Nearly 4,000 Jefferson County residents may qualify for funding provided by the Washington Families Clean Energy Credit grant program. Does your home qualify?

Starting in June, Jefferson PUD begins distribution of approx \$750k in funding to assist Jefferson County households with power bills.

The WA State Dept of Commerce announced the grant program aimed at supporting low-income utility customers across the state in May of 2024.

PUD low-income program participants automatically qualify to receive the credit on billing. Customers not enrolled in an income-qualified program should apply. Households must have a gross income at or below 80% of the Jefferson County median income of \$88,300. The 80% threshold is a sliding scale dependent upon the number of residents at the

**The Clean Energy Credit program dedicates \$150 million to utilities statewide to aid households with clean energy transitions.**

# Addressing Capital Questions

PUD staff have visited our nation's capital twice in 2024, representing customer-owners and our public utility counterparts as part of the WPUA and NRECA legislative efforts to bolster infrastructure projects.

PUD representatives met with staffers for Senator Maria Cantwell, Senator Patty Murray, and House Representative Derek Kilmer to discuss both federal and state funding availability.

During the more recent visit, the PUD met with staff for the Undersecretary of the US Navy regarding a project proposal benefiting Indian Island Naval Mag and our local infrastructure. The PUD also met with representatives from RUS (part of the USDA who provided financial backing to purchase our local grid from PSE), and the National Telecom and Information Administration (NTIA) regarding updates on federal funds for the PUD's broadband buildout.



PUD Commissioner Dan Toepper, Finance Director Mike Bailey, and GM Kevin Streett outside the capital building.

service address. Income verification is required prior to the \$200 credit being applied to billing. For more information and to complete an e-verification form visit the PUD's website: [jeffpud.org/energy-credits](http://jeffpud.org/energy-credits).

The \$200 credit will appear as "Clean Energy Credit" in the electric charges detail section of customer's utility statement. In many cases this will create a credit balance on the customer's electric account.

"Energy costs can have a big impact on low-income households, which is why we've supported our neighbors with assistance programs for more than a decade," said Jean Pepper, JPUD Services Director. "This funding from the Dept of Commerce allows us to help even more and reduces the energy burden where it's needed most."

Application for credits is open now until Sept. 15th.

**Beat the summer heat! Learn more about saving energy & check out available rebates on: [jeffpud.org/save-energy](http://jeffpud.org/save-energy)**

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