



Poles and equipment being sorted in preparation for the Port Angeles transmission pole replacement project.



Crews work to replace equipment during a slow period of least impact to commercial customers in Sequim.



First "H" structure in the transmission pole replacement project in Port Angeles.



Pole replacement with a view in Sekiu, courtesy of customer Nancy Messmer.

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Clallam County PUD
 PO Box 1090
 Port Angeles, WA 98362

Postal Customer

PRSR STD
 U.S. Postage
 PAID
 Olympic Mailing
 Services
 ECRWSS



DOUG NASS

From the General Manager

Dear Customers,

By the time you receive this newsletter, our state will have officially reopened. As of this writing, however, we do not yet have new guidance from the State on what this means for us and the manner in which we conduct business.

Never have we had to adapt so quickly to constantly changing mandates and orders from a variety of sources. We receive information from the State, County, L & I, and the Federal government. We have to then quickly interpret, get clarification, and update our policies and safety plans to reflect changes. There are also decisions to be made at the Board of Commissioners level. I mention all of this to request your patience as we move through the next couple of months while we plan for reopening our facilities. As in all things we do at the District, safety is first.

One of the things that changed in the past year was the increase in adoption of online services. We implemented several online forms for services that would have required a lot of emailing back and forth, or an in-person visit. Our SmartHub mobile app also saw an increase in use. I encourage you to download the free app and see for yourself all the information and access you have to your account right at your fingertips! These technologies won't be going away, but will free up time for our employees to work with our customers on more complicated issues.

I'm very much looking forward to welcoming you all back into our facilities. Be safe!

Doug Nass,
General Manager

Contact PUD

PO Box 1000
Carlsborg, WA 98324
360-452-9771
Toll-free: (800) 542-7859
info@clallampud.net
www.clallampud.net



Fuel Mix

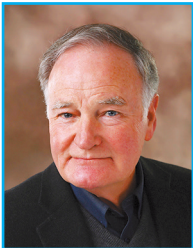
Your PUD's electricity
comes from the
following fuel mix:

Hydroelectric	83.31%
Nuclear	11.35%
Unspecified Resources*	5.34%
Natural Gas	0.01%
Coal	0.00%
Petroleum	0.00%
Solar	0.00%
Wind	0.00%
Other Generation	0.00%
Total	100%

*BPA Market Purchases

Commissioners

Clallam County Public Utility District #1 is directed by a three-member board of commissioners elected by the citizens of the county. Our Board holds public meetings the 2nd and 4th Mondays monthly at 1:30 p.m. at our Carlsborg Main Office.

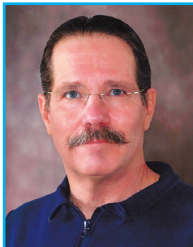


Will Purser
President, District #1

Will Purser has served as District 1 PUD Commissioner since appointment in April 2001. He represents the 1st District, which is the Eastern part of the County. Commissioner Purser recognizes that the issues of energy, water, and waste disposal are critical to the quality of life of Clallam

County residents now and in the future. He also serves on the Energy Northwest Board of Directors' Executive Board. Energy Northwest is a Joint Operating Agency of 28 public utilities operating nuclear, hydroelectric, wind, and solar projects.

wepurser@clallampud.net • 360-565-3512

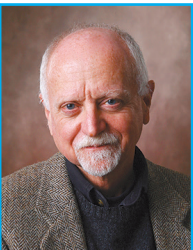


Rick Paschall
Vice President, District #2

Commissioner Paschall was elected to the 2nd PUD District on November 3rd, 2020 to serve a short term from December 1st through December 31st, and then taking a second oath of office to begin his full 6-year term on January 1, 2021. He has over 30-years of electric utility experience

in the Pacific Northwest. With experience including power supply, compliance, utility management, and participation in regional utility workshops, forums, and conferences, Commissioner Paschall brings a robust portfolio of knowledge to the District. For twenty years, he provided technical expertise for public power general managers at the Pacific Northwest Generating Cooperative (PNGC) and served for ten years as Vice-Chair of the Western States Power Pool, four years as Steering Committee member of the Western Interconnection Compliance Forum. He holds an MS in Economics, and BS in Mathematics. Commissioner Paschall resides in Port Angeles with his wife, Connie, and rescue dog, Henry.

rpaschall@clallampud.net • 360-565-3528



Jim Waddell
Secretary, District #3

Jim Waddell is a Civil Engineer who is retired from a 35-year public service career with the U.S. Army Corps of Engineers. For over twenty years of that career he has been a leader in developing the policies and practice of Sustainable Development. He also served with the Environmental

Protection Agency and the National Science Foundation (NSF). Jim's work with the NSF and then as the Senior Policy Analyst for the Environment in the White House office of Science and Technology Policy was largely focused on climate change policy, budgets and research integration. During the early stages of his career, Jim Waddell was an officer in the Army National Guard, serving in Engineer, Signal and Transportation units.

jwaddell@clallampud.net • 360-565-3521

SmartHub Provides You 24/7 Access!

We launched SmartHub in 2017 and while enrollment was steady, 2020 really gave it a boost once all of our facilities had to close to the public.

It's more than just a way to make your bill payment. SmartHub can help you take control of your electricity and your PUD account like never before. Whether on a desktop computer, or your smart phone or tablet (Android or iOS), you'll be able to pay your bill, view your electricity use, contact customer service and much more.

As soon as you log in, you'll be able to view your billing history and make a payment with just a couple of clicks...or taps, if you're using the app! You'll be able to see your current bill, along with bills from the previous month or even the previous summer, if you want to compare costs. You can see how your energy use is trending over time, contrasted with outdoor temperatures, which will allow you to take steps to reduce your consumption and lower your bill. If you're fortunate to live in one of our areas where advanced meter infrastructure has been deployed, you can track usage on a daily basis! Much has changed in energy usage in the past year with changes in how many people have been staying at home rather than physically going to work or school.

Making payments through SmartHub is fast and easy. The first time you make a payment either through the Web or through your mobile device, you'll be able to securely store your payment information for future transactions. The next time you need to pay your bill, it will only take a couple of clicks. You'll also be able to manage your account notifications with SmartHub. By logging into SmartHub on the Web, you'll be able to select how you want to be notified about your bill, including email and text messaging. While you're there, sign up for Paperless Billing and Auto Pay to save paper and simplify your life!

You can also contact the PUD with a request, a question, report an outage, or for customer service. SmartHub's contact feature makes it quick and easy. Access SmartHub by visiting Clallam PUD's website at www.ClallamPUD.net or by downloading the app on your mobile device through the Apple App Store (iPhone or iPad) or Google Play Marketplace (Android phone or tablet). Or, scan the QR codes shown on this page!



SmartHub Quick Facts

- SmartHub is FREE and lets you manage all aspects of your utility account 24/7 online or with your mobile device.
- View all your accounts on one screen, so you can manage multiple properties at once and even pay all with a single payment.
- Provides current and historical billing information and payment history, along with weather data to help you better understand your usage.
- Go green! Sign up for Paperless Billing and Auto Pay.
- Receive email and text notifications about activity on your account.
- Do more without the need to call an office to service your account, pay your bill, update mailing information, or report service issues.
- Report outages and monitor your service status.



Scan the QR code for your device, or search for "SmartHub app" to download the free app!



High Efficiency

Replacement Windows



By Mattias Järvegren
Utility Services Supervisor

Energy efficient windows are an important consideration for both new and existing homes. Heat loss, through windows, is responsible for 25%–30% of your home's heating energy use. That being said, it's important to keep in mind that you are not going to save an equivalent of your energy cost by upgrading your windows. That's because a window's primary purpose is to bring light into your home to help

make it a pleasant place to live, and to allow you to look outside and see your surroundings. If your primary purpose was to save energy costs, you would make your window a wall instead, because wall insulation is much better at keeping the

heat in your home, but a home without windows just wouldn't be a nice place to live.

So, if upgrading your windows doesn't save that much energy, then why should you upgrade them? The answers are many. For starters, window replacement is one of the best home remodeling projects in terms of investment return. New energy efficient windows simply look better, and will increase the value of your home.

Upgrading your windows will also make your home more comfortable. If you currently have single paned windows or double paned windows with metal frames, those window panes and frames are going to feel cold in the winter, likely causing you to run your heating system a little warmer to make up for the fact that you have those cold surfaces in your home.

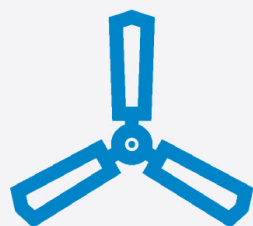
New windows will also make your home a little quieter, as the same things that we do to windows to make them more energy efficient also will help insulate

your home from outside noises. The vinyl frames in new energy efficient windows don't conduct heat or sound very well. Same goes for the space between the two window panes. Those two window panes, separated by an argon gas that's denser than air, helps keep the cold and sounds out.

Lastly, you are of course likely to see modest savings on your electrical bill. This is why we are offering a \$3 per square foot of window area incentive to help our customers upgrade their windows. We just want you to be clear, that it's those non-energy benefits, increased home value and comfort, that are the primary reasons to consider upgrading your windows.

If you're interested in our window incentive program, go to our website at <https://clallampud.net/high-efficiency-replacement-windows/> and look for our Participating Installers who will give you bids that include the incentive amount, which we pay directly to the Participating Installer, reducing your upfront cost.

If you have any questions or comments regarding this article or if you would like to discuss any other energy saving opportunities, please don't hesitate to contact us. **We work for you and you can reach us via the web, www.ClallamPUD.net, email, Utility.Services.Info@ClallamPUD.net and phone, (360) 565-3249.**



Change direction with the seasons.

In the winter, set ceiling fans to a clockwise rotation to circulate warm air. In summer, set fans to counter-clockwise to circulate cool air.

Save Energy With A Heat Pump Water Heater!

Heat Pump Water Heaters use electricity to move heat from one place to another instead of generating heat directly, like a refrigerator running in reverse. While a refrigerator pulls heat from its interior and exhausts that heat into the surrounding room, a heat pump water heater pulls heat from the surrounding air and transfers it into the tank to heat the water.

Quick Facts:

- Hot water accounts for 15-20% of electric energy use.
- Save up to 60% on your electric water-heating costs.
- New or existing construction qualify for rebates.
- Easily replaces existing tanks in most cases.
- Rebates range from \$300.00 to \$600.00.

Participating Installers:

Angeles Plumbing
917 W. 8th St.
Port Angeles, WA 98363
360-452-8525
admin.angelesplumbing@olypen.com

Brother's Plumbing
PO Box 2136
Sequim, WA 98382
360-683-9191
brothersplumbing@gmail.com

H2O Plumbing Contractors, Inc.
216 Center Parkway
Sequim, WA 98382
360-681-0379
www.h2oplumbing.com

Jamie Parrish Plumbing
PO Box 1810
Sequim, WA 98382
360-504-2347
www.jamieparrishplumbing.com

Questions? Call us at 360-565-3249



<https://clallampud.net/water-heater-rebates/>

Clean Energy Transformation Act (CETA)

What is it and how does it affect me?

By Sean Worthington, Finance Manager/Treasurer

Here at Clallam PUD our vision and mission statements reflect the strategic direction for the District and guide all decisions by staff and your elected commissioners. However, sometimes our Mission to “provide reliable, efficient, safe, and low-cost services in a financially and environmentally responsible manner” is affected by State legislation and beyond the local control we normally enjoy as a public utility.

What is CETA?

On May 7, 2019, Governor Jay Inslee signed into law the Clean Energy Transformation Act, also known by the acronym CETA (E2SSB 5116).

CETA applies to all electric utilities in Washington State who serve retail customers, including Clallam PUD. The act sets specific milestones that must be achieved to reach the required 100% clean electricity supply by 2045.

In 2022, each electric utility in the State must prepare and publish a clean energy implementation plan with its own targets for energy efficiency and renewable energy. Essentially, the PUD must notify the State how it plans to achieve the targets of CETA.

What are the clean energy targets Clallam PUD must achieve?

The act sets specific timelines to meet targets. In **2025**, all utilities must eliminate coal-fired electricity from their supply portfolios. Meeting this target should not cause a significant impact on the PUD and has already been planned.

In **2030**, the act mandates that all of Washington electricity is greenhouse gas-neutral with offsets. This means there can be a limited amount of natural gas and other carbon-emitting resources, up to 20%, so long as each utility offsets those carbon sources with a clean energy offset. One way to meet this goal is to purchase renewable energy credits (RECs). An example of the District purchasing RECs would be buying the non-carbon attributes from a solar farm supplying customers outside of our service territory. If the District had 1-megawatt hour of natural gas it purchased directly or through an agency like BPA, we could offset that purchase by buying the equivalent 1-megawatt hour non-carbon attribute to meet the standard.

Finally, in **2045**, utilities in the State must supply all Washington electricity with 100% renewable or non-carbon emitting resources, with no provision for offsets. Unlike in 2030, we will no longer be allowed to purchase offsets. Instead, all electricity must come from hydro, nuclear, wind, solar and other non-carbon resources.

There are some ratepayer protections incorporated into CETA legislation, including a limit on rate increases necessary to meet targets to no more than 2% compounded per year. Unfortunately, this potential rate pressure will be in addition to other common rate pressures. Clallam PUD is fortunate that almost all of our current power supply comes from the Bonneville Power Administration (BPA) and our fuel mix is already over 95% clean. The BPA portfolio primarily consists of hydro and nuclear and largely meets the definition of non-carbon-emitting resources, and will protect us from significant rate impacts until after 2030. Even so, there are times when BPA must make market purchases of carbon power to supply our PUD and other utilities during high electric demand.

Where will the non-carbon electricity come from?

Getting to 100% clean energy in the State by 2045 will be a challenge and require substantial capital investments in batteries, wind, solar, nuclear and hydro. Over time, ratepayers will see impacts to their monthly bills.

Removing natural gas and coal from the resource portfolio is a challenge because of the negative effect on what is referred to as electric **resource adequacy**. Natural gas and coal plants are considered base load resources. A base load resource that operates 24/7, around the clock, and can be called upon to handle peak power demands throughout the State. Replacing these base load resources with intermittent, or variable resources, such as wind and solar, can create reliability or resource adequacy issue. An intermittent resource is one that cannot generate a consistent supply at all times. For example, when the sun goes down solar installations stop producing electricity, and when there is extensive cloud cover, the power output is only a fraction of full capacity. While batteries can support intermittent resources, such storage is relatively costly, and cannot mitigate seasonable power source variability. Efforts to remove carbon in other energy sectors, including a mass adaptation of electric vehicles in the transportation sector, will present additional challenges with respect to electric supply resource adequacy. We are fortunate to receive the substantial majority of our power from a reliable hydropower system, which will enable the District eliminate carbon in our power supply as mandated by CETA, and do so at the lowest cost to our customers.

VARIABLE ENERGY

(n.) Types of energy generation
that have fluctuating and
uncontrollable fuel sources.

#HydroFlowsHere

Clallam PUD is exploring opportunities and projects to meet CETA required mandates. As early as 2025, Clallam PUD may proceed with a utility-scale distribution battery located at one of our substations. The goal of the project would be to lower our utility's peak demand during high load, thereby purchasing less electricity from BPA during times power costs can be high and power resources may become scarce. Reduction in BPA power supply costs is expected to offset the battery cost with no long-term negative rate impact.

How does CETA affect low-income customers?

To achieve the clean energy mandates of CETA will require significant monetary investment by Washington electric utilities and ratepayers. However, CETA does include provisions to ensure that low-income customers and vulnerable communities are not adversely impacted by these costs. Within the legislation, each utility is required to make programs and funding available to low-income households by July 31, 2021. The cost of these provisions will be borne by other ratepayers.

These programs are based on the premise of demonstrating progress to reduce the Energy Assistance Need (EAN) of low-income households by 60% in 2030 and 90% by 2050. For the PUD this is the most significant near-term challenge associated with CETA. Currently, about 30% of residential customers serviced by Clallam PUD meet the definition of low-income as defined in the CETA legislation.

To fund the low-income program those costs will not be incorporated into rates, otherwise all ratepayers, including low-income, would be paying to meet the targets. Instead, the District will be initiating a new line item assessment on most utility bills beginning August 1, 2021 titled **"CETA Low Income Assistance Compliance"**. The initial assessment will be \$1.04/month and will be re-evaluated annually. Clallam PUD customers who apply and demonstrate they meet the CETA definition of low-income will be exempt from paying this assessment.

The surcharge captures costs associated with CETA legislation, which includes both system-wide carbon reduction requirements as well as the CETA section 12 objectives to reduce energy assistance need for households with incomes less than 200% of Federal Poverty Level. Energy Assistance Need is the household energy expense greater than 6% of household income.

Due to our low carbon supply from BPA, the CETA cost necessary to meet carbon objectives will be negligible until after 2030, and will not initially be part of the CETA surcharge.

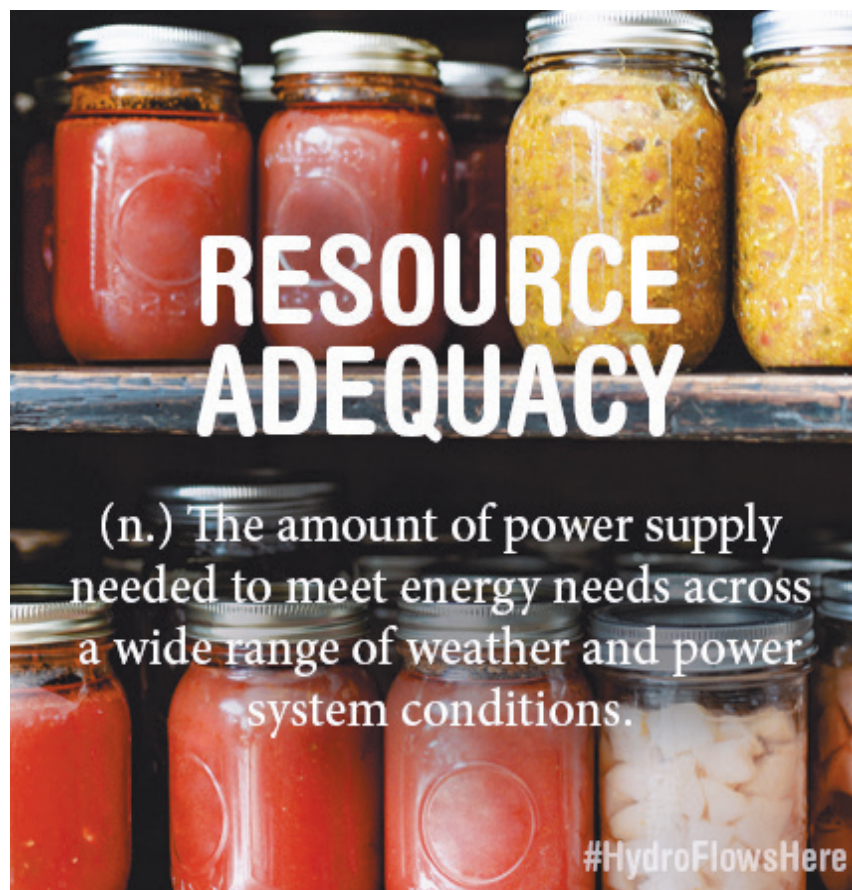
The cost to eliminate 60% of the combined Energy Assistance Need of our all of our customers by 2030, the goal set by CETA, will be financed through the CETA surcharge. This charge will increase over time in order to meet the 2030 objective and the later CETA 2050 objective to eliminate 90% of Energy Assistance Need.

We have teamed with OlyCAP for that agency to manage our program, provide monetary assistance derived through the surcharge, and collect data the State will need to evaluate and audit our program.

Initially, most of the EAN reduction will be in the form of direct monetary assistance, but later will include low-income conservation programs to actually reduce household energy costs - programs that will also be managed by OlyCAP.

In April, existing customers who had been eligible under our senior and disabled low-income programs were sent a letter explaining that the existing program would be discontinued and, in compliance with CETA, a new program for low-income assistance would be administered through OlyCAP. Assistance information has been updated on our website at www.clallampud.net/assistance.

Complete information about CETA can be found at <https://www.commerce.wa.gov/growing-the-economy/energy/ceta/>. The District will continue to meet required legislative regulations at the lowest cost to our customers and advocate for local control wherever possible. If you have any questions please email us at info@clallampud.net.

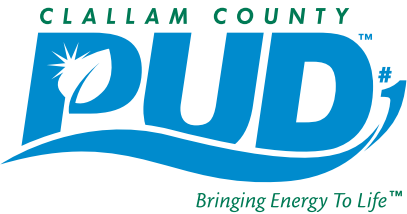




www.clallampud.net/hydropower



<http://www.callbeforeyoudig.org/washington/>



Neighborhood Assistance Program Helps Your Neighbors In Need

Did you know that Clallam PUD has a program where you can help assist others with their electric bills? It's called our Neighborhood Assistance program. You can make a one-time or recurring contribution to a fund that assists qualified low-income residential customers. You can even simply round up your bill to the next dollar! Find out more or print the enrollment card below and return to us with your contribution. Your community thanks you!

<https://clallampud.net/neighborly-assistance/>

Neighborhood Assistance Program

You can help neighbors in need by donating to this fund. Indicate how you would like to contribute and your choice of agency below. Please clip and enclose this with your PUD payment or drop off at your nearest PUD office. *(If submitting with payment, only one payment is necessary for both your contribution and your PUD bill.)*

Name: _____ Acct. No.: _____

Address: _____ Phone No.: _____

My choices for participation in the Neighborhood Assistance Program are indicated below. This **replaces** any previous pledges.

- ☐ Please bill \$ _____ every month, beginning with my next statement, until I contact the PUD to cancel.
- ☐ Please round up my bill to the next dollar and contribute the excess.
- ☐ I prefer a one-time contribution of \$ _____

I want my contribution to go to (check one):
____ to Olympic Community Action Programs
____ to Port Angeles St. Vincent de Paul
____ to Sequim Community Aid
____ to Sequim St. Vincent de Paul

Signature: _____ Date: _____