



Power Lines

A monthly newsletter from Columbia River People's Utility District

June 2009

PUD Pays Off 1996 General Obligation Bonds

On June 1, 2009, Columbia River PUD made the final payment on its 1996 General Obligation Advanced Refunding (GO) Bonds. These bonds were issued to refinance the debt incurred when the PUD purchased the electric system from Portland General Electric (PGE) and began providing electric service in 1984. By paying them off, we have paid off our original \$17 million debt. It's much like paying off the mortgage on your home.

Savings will Keep Rates Stable & Affordable

Paying off these bonds will result in \$1.4 million in savings each year. These savings come at a critical time to the utility. Wholesale power costs represent approximately 60% of our operating expenses. We are anticipating a 5-10% increase in wholesale power costs this fall; this savings will help us avoid raising rates for customers.

Many regional utilities have raised rates recently or are planning rate increases in the coming months. Fortunately, we planned ahead and have built sufficient cash reserves to avoid a rate increase in 2009. Our electric rates last increased in October 2001, and the last rate change was a decrease of 4.65% in October 2006.

Our conservative use of long-term debt is one reason we are able to keep rates affordable and stable. The PUD has issued bonds or revenue obligations just twice since we began providing service. The first issuance was in 1984 to purchase the original electric system from PGE. The second was in 2000 when we purchased additional service area from PGE to serve additional customers in St. Helens, Scappoose and Columbia City. We have also refinanced bonds several times over the past 25 years to take advantage of lower interest rates.

Board Policy for Long-Term Debt

Although some utilities use long-term debt to fund system maintenance projects and vehicle and equipment purchases, your Board of Directors has developed a policy that outlines just three scenarios for which long-term borrowing is acceptable:

- Expansion of the PUD's service area
- Funding large capital projects such as power generation
- Refunding existing obligations to reduce debt service



System maintenance and improvement projects, like this one on Fullerton Road in Warren, are funded through operating revenues, not long-term debt.

All PUD operations and capital improvements are funded through rates. By taking this approach, we save millions of dollars in interest payments each year.

Community Ownership Means Savings

PUD customers enjoy substantial rate benefits as a result of the switch to community ownership. The PUD's residential rates are currently 30% lower than PGE's, yielding nearly \$7 million a year in savings to PUD customers. That money stays in our local economy. The switch to Columbia River PUD has proved to be a wise investment by the residents of South Columbia County.

2009 My Fair Lady Court Announced

Five senior women honored for their community service

We're pleased to announce the members of the 2009 My Fair Lady Court: Eila Kynsi of Clatskanie, Patricia Ray of Vernonia, Rowena Tetz of Scappoose, Sally Norbom of Columbia City and Wanda Gost of Rainier.



The pageant is held during the Columbia County Fair each year and honors senior women for outstanding community service. This year's pageant will be held on Wednesday, July 15th at 1:00 p.m. Columbia River PUD, Clatskanie PUD and West Oregon Electric are sponsoring free round-trip fair transportation for seniors from each senior center in the county, and the fair is offering free admission for seniors that day.

*The 2009 My Fair Lady Court:
Front: Patricia Ray and Eila Kynsi,
Back: Rowena Tetz, Wanda Gost and Sally Norbom*

PUD Scholarship Winners Announced

We recently awarded three \$2,000 Utility Industry and three \$1,000 Community Service Scholarships to graduating seniors from local high schools. Congratulations to our recipients!

Utility Industry Scholarship Recipients:

Nicholas Adenau, St. Helens
Miles Griffith, Rainier
Brad Welter, St. Helens

Community Service Scholarship Recipients:

Rebecca Edmondson, Rainier
Zach Melton, St. Helens
Kristine Wheeler, Scappoose

2010 Calendar Contest

Each year we produce a calendar for our customers that features scenic photographs taken in Columbia County. To enter this year's contest, send us up to ten of your best photos by September 15th.

Entry forms and contest details are available at our office and on our website:
www.crpud.net/community.

To learn more, contact Libby Calnon at lca@crpud.org or (503) 366-3264.



Energy Efficiency Programs & Services for Homeowners

Contact our Energy Experts to Learn More: (503) 366-5470 or experts@crpud.org

Free In-Home and Online Energy Evaluations • ENERGY STAR® Appliance Rebates

Duct Sealing Rebates • Ductless Heat Pump Rebates

Air Source and Geothermal Heat Pump Rebates

Thermostat Rebates • Marathon® Water Heater Rebates

ENERGY STAR® Manufactured Home and New Site-Built Home Rebates

Home Weatherization Rebates