

Pend Oreille County Public Utility District

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Pend Oreille PUD Board Approves 4.25% Rate Increase

NEWPORT, WA. – During the March 4, 2025 board meeting, Public Utility District No. 1 of Pend Oreille County (PUD) Commissioners approved a rate adjustment designed to generate a 4.25% increase in overall revenue to address rising operational costs, infrastructure needs, and inflationary pressures. The new rates, effective April 1, 2025, will raise per-kilowatt-hour charges for all customer classes. This adjustment is for 2025, not a multi-year increase, and will be reviewed in 2026 for any necessary adjustments.

The rate increase will raise charges for most residential, commercial, and irrigation customers from \$0.0623 to \$0.0660 per kilowatt-hour (kWh). For three-phase residential and commercial customers, rates will increase from \$0.0547 to \$0.0575 per kWh, and Standard Industrial rates will rise from \$0.0401 to \$0.0422 per kWh.

This decision follows a nearly year-long review of the PUD's finances and public outreach efforts to gather feedback from customers. Rising costs, inflation, and the need for continued infrastructure investments have made this adjustment necessary. Since the last rate increase in January 2022, inflation alone has contributed to a more than 12% increase in costs.

"No one likes to see their bills go up, and no utility, especially ours, wants to raise rates. But this increase is needed to ensure we can continue providing reliable service and invest in the infrastructure needed to support our community," said April Owen, Director of Finance for the PUD. "This change is part of our ongoing effort to balance the needs of our customers with the rising costs of doing business. We continue to be committed to keeping prices as low as possible."

For the average residential customer using 1,500 kWh per month, the increase will add \$5.43 to their monthly bill. Smaller homes using 1,000 kWh will see a \$3.64 increase, while larger homes using 2,000 kWh will experience a \$7.35 increase. There will be no changes to the Service Availability Charge or Demand Charges.

A recent survey conducted by the PUD revealed that most customers preferred smaller, more predictable rate increases rather than larger, infrequent hikes.

"We've absorbed more than 12% inflation since our last rate adjustment, and we know that the cost of providing safe and reliable power will continue to rise," said Owen. "By implementing this smaller increase, we're better able to manage future cost increases and avoid larger, more drastic hikes."

The PUD will continue using its current cash reserves, which have been bolstered by non-continuing items such as the Ponderay Newsprint bankruptcy proceeds and delayed capital projects, to fund critical infrastructure upgrades. This includes work on substations to enhance reliability.

"These funds are crucial for ensuring the long-term reliability of our system," said Owen. "We're committed to investing in infrastructure that will serve our community for years to come."

The new residential rates will remain lower than both the state average of 11.83¢ per kWh and the national average of 16.26¢ per kWh, according to the U.S. Energy Information Administration.

"We understand that any rate increase impacts household budgets, and we are committed to helping our customers navigate these changes," said Sarah Holderman, Director of Customer Service. "Our customer service team is available to assist with information on energy assistance for eligible households."

For more information, please visit popud.org or call the PUD at 509-447-3137.

About Pend Oreille County Public Utility District

Pend Oreille PUD was established in 1936 and began operations in 1948. The PUD is governed by three locally elected Commissioners. A General Manager and staff operate the utility within policies set by the Board of Commissioners. The PUD has four operating systems: The electric system distributes electricity to the county, the production system produces power from the Box Canyon Hydroelectric Project, the water system consists of nine individual water distribution subdivisions, and the community network system provides wholesale broadband communication services. For more information visit: http://popud.org.