

FOR IMMEDIATE RELEASE

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Grant PUD preliminary budget reviewed Rate increase planned for 2011

EPHRATA, Wash. – Grant PUD commissioners today reviewed the utility’s 2011 preliminary budget in preparation for the state required filing at the end of the month.

Included in the \$494 million proposed budget is a four percent rate increase, approved in 2010, for 2011. Next year’s increase follows a four percent addition implemented in April of this year. Future increases are anticipated and will be determined during the utility’s budget cycle on a yearly basis.

The impact of the last two below average water years reduced Grant PUD’s anticipated revenues by nearly \$80 million, causing the utility to rely on cash reserves. Reserves have fallen below levels needed to meet another low water year. In June, commissioners authorized a \$27.9 million reduction to the \$517 million 2010 budget to protect the utility’s finances.

“We are actively working with staff to minimize expenditures and prioritize the work that must be completed,” said Commission President Bob Bernd. “We anticipate that these efforts will be helpful and know that they are not the only steps needed. Difficult times call for difficult decisions and although we would prefer to avoid raising rates, that step is in the best interest of the utility.”

The largest drivers for Grant PUD’s budget include the replacement of ageing infrastructure at Priest Rapids and Wanapum dams, requirements associated with the new, long-term license and capital projects tied to electric system growth and reliability.

Budget and rate discussions between commissioners and staff will continue throughout the fall. Public hearings have been scheduled for the second week of December in Ephrata and Moses Lake.

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Grant County Public Utility District is a Washington state municipal corporation that began electric service in 1942. Owned by the people it serves, Grant PUD generates and sells electricity to Grant County residents and millions of customers throughout Central Washington and the Pacific Northwest. The Priest Rapids Project, comprised of Priest Rapids and Wanapum dams, has a capacity of nearly 2,000 megawatts of clean, renewable and reliable electricity – enough to supply a city the size of Seattle. A leader in science based technology; Grant PUD is committed to finding effective measures for the protection, mitigation and enhancement of salmon, steelhead and other natural and cultural resources.

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