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WA-18

KPUD's Annual Water and Wastewater System Rate Process

Klickitat PUD provides water service in Bickleton, Roosevelt, Rimrock, Ponderosa Park, Wishram, Lyle, Klickitat, Cliffs and Glenwood, and wastewater service in the Roosevelt, Wishram, Lyle, Klickitat and Glenwood communities.

These water and wastewater systems are separate from the KPUD electric system. Each system is a self-funded financial entity.

It takes a significant amount of work to successfully administer nine water systems and five wastewater systems, all of which are unique. The operations, maintenance and employed technologies are different, and the systems vary from 10 to 50 years old. The amount of infrastructure requiring maintenance and upgrades varies as much as the number of customers using each system.

All of these varying factors mean each system has its own rates, to meet its specific needs. The size of these rural community systems are relatively small, ranging from 39 to 280 customers. As a result, small changes can affect the customers of these systems much more than the same changes would for the electric system with its 15,000 customers.

KPUD always strives to provide long-term stable rates. Doing so means we complete a detailed annual review of each system and implement rate adjustments for each system as costs change. We are working through that process right now. We review the financial status and requirements of each system, review financial forecasts—including upcoming projects and maintenance requirements—and create a budget. From this, we determine if changes to the budget are needed and determine the revenue requirement and if rate adjustments are necessary.

We then meet in communities where there is an active council or group to coordinate. To ensure customers can provide feedback, KPUD also sends letters with a summary of the rate proposals to every water and wastewater customer.

We are coordinating community meetings to occur during April and May. We will then hold a formal public rate hearing at the board meeting May 28. At that meeting, we will present our recommendations to the board, including input from the communities we talk with. The board will take action on those recommendations.

For a schedule of meetings as they are confirmed, visit www.klickitatpud.com. I hope to see you at the meetings.



Jim Smith
General Manager