

KPUD Budget Holds the Line

Klickitat PUD Commissioners adopted the 2008 budget at their December 18 meeting. The new budget, totaling \$40 million, is consistent with the board's expectation to not increase rates and to stabilize current retail rates through the development of revenue-producing lines of business other than the traditional distribution system.

Electric revenue from rates is now less than 50 percent of total revenue compared with a year ago, when it was 62 percent.

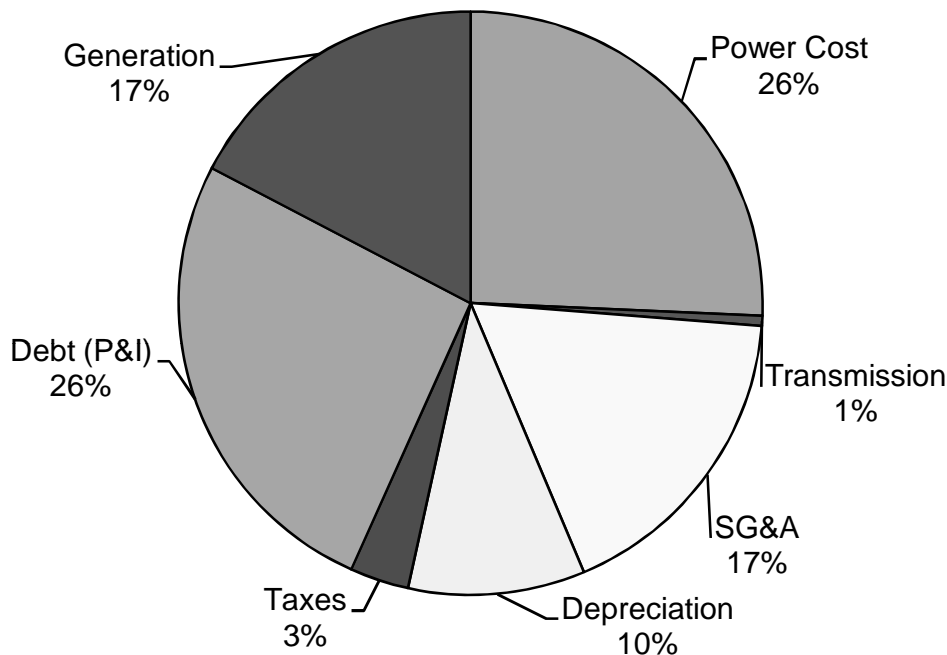
The split of rate revenue between residential and commercial services tracks at 26 percent for residential and 22 percent for commercial and other services.

The two largest expenses for KPUD are the cost of power at 26 percent and debt service at 26 percent. Debt service has grown due to revenue-producing projects, the H.W. Hill Landfill Gas and White Creek Wind phase I. The power supply for KPUD's load includes the purchase of power from BPA and a declared amount of power from McNary Dam hydro generation jointly owned by KPUD and Northern Wasco PUD.

Salaries, administrative and general expenses for the 2008 budget are 17 percent of total expenses. These comprise the support staff, operation and maintenance costs.

KPUD operates and maintains eight water systems and five wastewater systems, all managed separately and separately analyzed for profitability. The objective is to operate them through rate revenues and managed costs to allow for debt pay off of each system. ■

Electrical Expense Budget



Electrical Revenue Budget

