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WA-18

Supporting a Growing Klickitat County



I was asked the other day about new customer growth in Klickitat County and whether issues related to the pandemic have slowed down new service connections. New services are one measure of how many people are moving to Klickitat County.

The short answer is our new connection work did not slow down at all. The longer answer is that the far-reaching impacts of the pandemic shutdowns will continue to ripple for many more months.

It will not surprise you that most of our new construction work was on residential properties. During the 12 months ending in January 2021, we connected 212 residential customers. For the preceding 12 months, that number was 139. For each of the two years before that, it was 208 and 180. We are hearing from these new customers that there is a migration from urban areas. Many people recognize the limitations of living in a city, and the impacts a pandemic or other disasters can have on their lives when living in those locations.

The real issues many potential new homeowners currently face are material shortages and restrictions on contractors completing work. I believe KPUD could have far exceeded 212 new connections without the shortages and the resulting increase in building material costs.

We've all seen the shortages caused by the pandemic during the past year. If you've been to a building supply store, you've seen the empty shelves, empty racks, empty bins and increased lumber prices. Mortgage rates may have lowered during the pandemic, but building costs have increased—if you can even find the materials you need. We have seen these same contractor and material issues in doing KPUD's construction and maintenance work. I am sure this will impact our new construction costs.

When we receive applications for new services, the costs for the work and the materials to build these new services are borne by the applicants, not our existing customers. Once applicants are connected, they become our customers. The board has set a policy that we collect an average of 95% of the costs of new connections—not 100%. We still want to provide the ability for those who move to our county to do it inexpensively, by building near existing infrastructure and keeping costs of the new service low.

We are lucky to live in a rural area during this time. Our low population density allows for much more flexibility in our lifestyles during the pandemic, unlike other parts of the country. This also has allowed KPUD to continue to modify how we work, while still providing services requested and the programs you expect.

Thank you for your continued support during the past year. We recognize closing offices to the public complicates communications and work planning. With our Goldendale office reopening on June 30, we hope to start seeing you in person very soon.

Jim Smith
General Manager