

Information About



Have you ever wondered about Snohomish County PUD and its policies? The following offers that kind of information all in one place (based on figures available as of December 31, 2017). It covers many of the utility’s policies relating to customer accounts, rates, payment arrangements, filing a complaint, and much more. We hope you will find the information useful.

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General Description

Snohomish County PUD is a consumer-owned utility that was created by the voters of Snohomish County in 1936 for the purpose of providing electricity and water service. The utility went into the business of providing electric service in 1949, when it purchased the electric distribution system operated by Puget Sound Power & Light Company in Snohomish County and on Camano Island.

The PUD is a municipal corporation of the state of Washington. The utility is governed by a Board of Commissioners comprised of three local citizens who are elected on a nonpartisan basis by the people of Snohomish County and Camano Island to fulfill six-year terms in office. One of the Commission seats is on the November ballot every two years. The PUD Commission establishes policies, sets rates, and approves revenue obligations of the utility. In addition, the commissioners appoint a general manager to direct the day-to-day operation of the utility.

Snohomish County PUD served an average 345,982 customers in 2017, making it the 12th largest consumer owned utility in the United States and the second largest in the Pacific Northwest. That total included 314,323 residential customers; 31,357 commercial customers; and 81 industrial customers. The utility also provided electric service to an additional 221 accounts that included highway street lights and other miscellaneous services.

In 2017, the PUD sold 8.8 billion kilowatt-hours of electricity to its customers. Of that total, 41% of the electricity was consumed by residential customers, 27% by commercial customers, 6% by industrial customers, and 0.3% was consumed by other customers. The rest was resold to other utilities through the wholesale power market.

Credit and Deposit Requirements

Each prospective customer desiring to receive electric service from Snohomish County PUD must make an application and may be required to sign an application form or contract prior to receiving service. The PUD may, in some circumstances accept application for service from a second party, with the understanding the first party has signed an application that is kept on file by the second party (owner or property manager).

The PUD will assess a \$15 account service charge for the opening of a new account and also reserves the right to require a guaranty deposit on any residential or commercial account. If service is inactive at the time of application, it will be scheduled for activation one business day after application for service is made. Same-day reconnections are available for an additional fee.

Security deposits may be required of a customer at application or later if: the customer files an incomplete or improper application, the customer misrepresents his or her identity, the customer tampers with PUD equipment, the customer has no established credit or does not meet credit requirements, or the customer has a poor payment record with the PUD. The amount of deposit will not exceed the established flat fee amount for those residential customers who have been PUD customers for less than 12 months. The amount of deposit for those residential customers who have been customers for more than 12 months will not exceed the estimated maximum billing for two consecutive months within a 12-month period. Residential deposit accounts are reviewed after 12 months and are applied to the customer's account, plus interest, to accounts with good payment records. Deposits on commercial accounts are kept at least two years prior to a review. Existing deposits also will be refunded, less outstanding amounts due, if service is terminated. Interest accrues on all deposits from the day they are paid in full at an interest rate established periodically by the PUD Treasurer.

Rates and Charges

PUD rate schedules are subject to the approval of the Board of Commissioners of the PUD and may change from time to time. Rates were increased by 2.9% on April 1, 2017. To accommodate an increase in power costs from the Bonneville Power Administration (BPA), rates were increased by 1.6% again on October 1, 2017. Any decision to change rates is made by the Commission in open public session. The Commission meeting agendas are printed in The Everett Herald newspaper on the day before the meeting, as well available on the PUD website at snopud.com.

For the most current rates, contact the PUD Customer Service Department or visit our website at snopud.com/rates. As of October 1, 2017, the rate schedules are as follows:

■ **RESIDENTIAL** (Schedule 7) – Schedule 7 consists of an energy charge that is charged at a flat rate for every kilowatt-hour (kWh) of electricity a customer consumes between meter readings. Most residential customers pay 10.414 cents per kWh throughout the year. At a minimum, each residential customer is charged at least 53 cents per day for receiving service.

Qualifying customers receive low-income discounts, paying 10.272 cents per kWh. They are charged a minimum of at least 52 cents per day for receiving service. They receive discounts of 20%, 40%, and 60%, depending on financial need.

PUD customers benefitted from BPA Residential Exchange Credits during the federal agency's 2016 & 2017 fiscal year that began October 1, 2016.

■ **GENERAL SERVICE - MEDIUM LOAD** (Schedule 20) – Commercial and small industrial customers with demands between 100 kilowatts (kW) and 5 megawatts pay as follows: 37 cents per day, plus a demand charge of \$5.12 per kilowatt of billing demand over 100 kW per month, plus an energy charge of 9.04 cents per kWh for the first 30,000 kWh consumed in a month and 6.98 cents per kWh for consumption in excess of 30,000 kWh in a month. At a minimum, general service customers are assessed 54 cents per day for service plus 2.425 cents per kW per day for all connected load in excess of 10 kW. Demand is subject to power factor adjustment.

■ **TIME OF USE GENERAL SERVICE** (Schedule 24) – This schedule is designed for non-residential customers who can significantly shift their loads throughout the day. Customers must have an average monthly demand exceeding 500 kW. These customers pay 37 cents per day plus a monthly demand charge of \$8.47 per kW on all kW over 100 kW. The monthly billing demand is the highest demand occurring during the hours from 7 AM to 11 AM standard or daylight time as applicable, Monday through Saturday. There is no demand charge during all other hours. An energy charge is also applicable at 9.04 cents per kWh for the first 30,000 kWh and 6.98 cents per kWh for all kWh over 30,000 kWh. At a minimum, time-of-use general

service customers are assessed 54 cents per day for service plus 2.425 cents per kW per day for all connected load in excess of 10 kW. Demand is subject to power factor adjustment.

- **GENERAL SERVICE - SMALL LOAD** (Schedule 25) – This schedule is designed for non-residential customers whose demand is less than 100 kW and whose energy usage is less than 30,000 kWh per month. These customers pay 37 cents per day plus a monthly energy charge of 9.04 cents per kWh. A minimum charge of 54 cents per day plus 2.425 cents per kW per day for all connected load in excess of 10 kW applies.
- **LARGE PRIMARY SERVICE** (Schedule 36) – Available to customers with demands exceeding 5 megawatts and provides primary service. The rates are as follows: a demand charge of \$4.22 per kW of monthly billing demand, plus an energy charge of 5.79 cents per kWh. A minimum charge applies, and demand is subject to power factor adjustment.
- **LARGE 115 kV SERVICE** (Schedule 38) – Available to customers with demands exceeding 5 megawatts and provides 115 kV service. The rates are as follows: a demand charge of \$3.88 per kW of monthly billing demand, plus an energy charge of 5.73 cents per kWh. A minimum charge applies, and demand is subject to power factor adjustment.
- **RENEWABLE ENERGY CREDIT PROGRAM** (Schedule 80) – Available to all customers. The program allows purchase of Qualified Alternative Energy Resources as required by RCW Chapter 19.29A. Service of this schedule is provided through Renewable Energy Credits (RECs) obtained by the PUD. RECs can be purchased at a cost of \$3.00 per month per REC (changed to \$4.50 effective 6/1/18).
- **RENEWABLE ENERGY PROGRAM “PLANET POWER”** (Schedule 81) – One of two optional rate schedules that provide customers the option of purchasing Qualified Alternative Energy Resources as required by RCW Chapter 19.29A (See Schedule 80 for other option). Customers participate in the “Planet Power” program by contributing a monthly minimum of \$3.00 or a one-time donation of at least \$15.00 to support small-scale and demonstration renewable energy projects.
- **STREET LIGHTS** – The PUD offers street light service in four different rate schedules. For municipalities (Schedule 1), monthly street light rates are

\$7.16 for 100-watt units, \$8.18 for 150-watt units, \$9.19 for 200-watt units, \$10.83 for 250-watt units, and \$14.90 for 400-watt units. Schedule 5 provides for street lighting service within Suburban Street Lighting Service Areas established by the PUD. Customers having metered electric services that are located within a Suburban Street Lighting Service Area are charged \$1.84 per service unit per month. Generally, a single-family residence, an apartment unit or a condominium unit located in a Suburban Street Lighting Service Area receives one unit of service. Area lights (Schedule 3) installed for individual customers are billed at 27 cents per day. Schedule 4 provides for street lighting service upon execution of a Municipally Owned and Maintained Street Lighting Contract. Schedule 4 rates for the High Pressure Sodium Lamps (HPS) are \$3.60 for 100-watt units, \$4.83 for 150-watt units, \$5.96 for 200-watt units, \$7.51 for 250-watt units, and \$11.32 for 400-watt units. Schedule 4 rates for the Light Emitting Diodes (LEDs) are \$0.35 for 0 - 20 watts units, \$1.04 for 20.01 - 40 watts units, \$1.73 for 40.01 - 60 watts units, \$2.42 for 60.01 - 80 watts units, \$3.11 for 80.01 - 100 watts units, \$3.80 for 100.01 - 120 watts units, \$4.48 for 120.01 - 140 watts units, \$5.18 for 140.01 - 160 watts units, \$5.87 for 160.01 - 180 watts units, \$6.56 for 180.01 - 200 watts units, \$7.26 for 200.01 - 220 watts units, \$7.94 for 220.01 - 240 watts units, \$8.62 for 240.01 - 260 watts units, \$9.33 for 260.01 - 280 watts units, and \$10.00 for 280.01 - 300 watts units.

- **SPECIAL CONTINUOUS SERVICE** (Schedule 23) – This rate is available for television cable amplifiers, air traffic warning lights and other applications where metering is not practical and loads are constant. The rate is as follows: 28 cents per day, plus 8.99 cents per kWh. The consumption of energy is calculated by multiplying the equipment wattage rating times the hours of operation, divided by 1,000.

Metering Policies

The meters are read using hand-held units that warn the meter reader if a particular reading falls below or above an expected range. The unit prompts the meter reader to double-check his or her reading. As the billings are processed, another auditing process again identifies readings that are outside an expected range. A check reading also may be ordered before such a billing is mailed to the customer. If a meter reading error has been billed

to a customer, the customer's billing will be adjusted accordingly.

The PUD tests, or requires a manufacturer to provide certified test results, for all new meters and re-conditioned meters used on permanent electric metered services. A customer may request additional accuracy tests be performed. If a test shows the meter accuracy is outside of the PUD's prescribed accuracy limits, the meter will be adjusted accordingly. The customer will receive a rebate for the amount overcharged if a meter is found to be inaccurate by more than two (2) percent.

Bill Payment Policies

For customers billed on a residential rate (Schedule 7), meters are read and billings are issued monthly using actual reads. If the account qualifies, residential customers have the option of signing up for the Budget Payment Plan, which provides an average monthly bill based on the prior year's actual consumption at a particular premise. The PUD offers this plan to help residential customers plan for the expense of electricity by making equal payments each month. Under the plan, the utility calculates the customer's Budget Payment Amount by taking the customer's total previous twelve-month consumption history at his/her current residence, dividing this total by 12, then multiplying the average monthly usage by the current rate. This amount is then set for the next 12 months unless the customer's usage increases or decreases by more than 30% during any billing period. If this occurs, the customer's Budget Payment amount may then be adjusted to account for the change. At the end of the twelve-month period, the Budget Payment Plan is recalculated and incorporates any balance or credit left from the customer's actual usage.

A customer's billing date is determined by when the meters in that neighborhood are scheduled to be read. Customers will usually receive their bill about two days after the meter reading. On rare occasions, meter readings may be estimated due to access issues, weather conditions, or other unusual circumstances.

The payment is due on the date noted on the bill and is considered past due 15 days following the original billing date. Failure to receive a bill does not release the customer from an obligation to pay promptly, as the bills will be sent to the mailing address furnished by the customer, unless the customer opts for paperless billing, in which case an email link to the bill is sent electronically. A \$5 or 1% late payment fee, whichever is greater, is assessed on all accounts that have an unpaid balance at the time the next month's invoice is issued. Payments

can be made using the return envelope enclosed with the billing, in person at PUD offices located in Everett, Lynnwood, Snohomish, Monroe, Stanwood, and Arlington, online at snopud.com/snopay, over the phone by calling (toll-free) 1-888-909-4628 or at pay stations located in local businesses in the PUD's service area. If you have a Disconnect Notice and are making an electronic or telephone payment, please contact the PUD's Customer Service Department to provide the confirmation number. Customers should not make payments on Disconnection Notices at pay stations as the payment may take up to two weeks for the PUD to receive it.

Payment Arrangements

Customers who are finding it difficult to pay a PUD bill are strongly encouraged to contact one of the utility's customer service representatives to discuss the availability of payment arrangements. The availability and terms of a deferred payment plan will be based on a review of the individual customer's situation, including the amount and age of the delinquency, the customer's past payment record, the customer's ability to pay, and whether the customer demonstrates a good faith willingness to pay. The PUD will also follow appropriate credit guidelines when setting such arrangements.

The PUD offers two discount programs for low income electric and water customers. In 2017, customers were eligible if they were 62 years of age or older and had a combined household income of less than \$28,973. All low-income customers were eligible for a discount if their annual household income did not exceed 125% of the federal poverty level (\$31,375 for a family of four).

Other energy assistance programs are often available through Snohomish County Human Services and through Project PRIDE, funded by tax-deductible customer contributions and administered by St. Vincent de Paul. Specific information about the availability of energy assistance funds is available from the PUD's Customer Service Department.

Discontinuing Service

A customer discontinuing electric service from Snohomish County PUD is responsible for notifying the utility on or prior to the date of termination and is responsible for all services up to and including the date of notification or termination. Electric service also can be disconnected by the PUD for non-compliance with service requirements or regulations, non-payment, or fraudulent use.

Disconnection Notices will be mailed no sooner than 30 days after the original billing date. A brochure explaining credit, disconnect policies, and customer rights is enclosed with each Disconnection Notice.

A customer's service will be disconnected following the due date on the Disconnection Notice unless:

- ▶ The amount due has been received at a PUD office by the due date,
- ▶ An acceptable agreement has been reached for deferred payment prior to the Disconnection Notice due date,
- ▶ The customer has appealed the action,
- ▶ The PUD determines that disconnection of service would be especially dangerous to the health of a consumer, or
- ▶ The measurement of the air temperature in Everett when taken at 8 a.m. in the morning is 32 degrees Fahrenheit or less.

Disconnection also may be made to an account if a customer violates service requirements or regulations, rate schedules, contracts, or electrical codes; fails to pay a fee or deposit; is guilty of theft or illegal current diversion; or if no one assumes responsibility for the service. The disconnection of service does not release a customer from any obligation to the PUD.

When a disconnection occurs, a notice will be left at the premises that describes the conditions that must be met before service can be reconnected. Service will be scheduled for reconnection after the situation causing the disconnection is corrected to the PUD's satisfaction. For customers disconnected for non-payment, reconnection of service will be scheduled after full payment of all past due balances plus the disconnection fee of \$30 and the reconnection next day service-call fee of \$30 is paid. For emergency (same day) reconnection, the service-call fee is \$70 if paid by 5:30 PM on weekdays or 2:00 PM on Saturdays. Exceptions for medical emergencies only, provide emergency reconnection at any time; however the customer may be charged a \$150 fee for any service calls after 5:30 PM on weekdays or 2:00 PM on Saturdays and any time on Sunday. For customers who have a billing demand greater than 500 kW, a payment may be required before the PUD will reconnect a delivery point disconnected at a customer's request. Before the PUD reconnects a delivery point disconnected after May 31, 2003, the minimum charge that would have been made if that delivery point had not been disconnected must be paid if:

- ▶ The disconnection was directed by the customer requesting reconnection, AND

- ▶ The delivery point has been disconnected for less than 12 months, AND
- ▶ The delivery point had an actual billing demand (as defined by the applicable Rate Schedule) greater than 500 kW at least once during the 12 consecutive months prior to disconnection.

Confidential Information

The PUD makes information and records available to the public for inspection and copying in accordance with RCW Chapter 42.56 (Washington Public Records Act) and the PUD policy regarding Public Access to Information and Records. As a public agency, the PUD has an established Public Records Office which responds to all records requests. All records requests made through Customer Service for account histories are submitted to the Public Records Office.

The Public Records Act generally exempts personal customer information and protects it from disclosure. Specifically, RCW 42.56.330(2) exempts "the addresses, telephone numbers, electronic contact information, and customer-specific utility usage and billing information in increments less than a billing cycle of the customers of a public utility contained in the records or lists by the public utility of which they are customers." RCW 42.56.230(5) exempts credit card numbers, debit card numbers, electronic check numbers, card expiration dates, or bank or other financial account numbers. There may be situations where state or federal law requires disclosure of customer account information or law enforcement agencies can gain access upon demonstrating sufficient cause. An account holder requesting his or her information must show identification if in-person at a PUD office, or must have the account or loan number if making the request by telephone. The utility will supply the information by mail using the documented mailing address. Requests from third parties for personal customer account information will be individually reviewed to determine whether the law authorizes disclosure. Exceptions: The PUD may share account information with an outside agency for purposes of keeping the power on and for collection purposes.

Filing a Complaint

The PUD welcomes comments from customers. The utility provides time at every Commission meeting for comments from the public. Should a customer disagree with a decision made by the PUD regarding an account, he or she can request an informal conference at any time before the payment due date. The conference may be by telephone or in person at any PUD office. The issue will be discussed with the customer and every effort will be made to reach a solution.

If a resolution is not reached, a customer has the right to a review by a Hearing Officer of decisions made by the utility to disconnect electric service, to refuse the reconnection of electric service, to transfer an outstanding balance to a customer's account, to require a payment plan, to require a security deposit, or to require the payment of a fee. The Hearing Officer will be a lawyer in private practice who is not a PUD employee or associated with the utility's Customer Service Department. Following the hearing, the Hearing Officer provides the customer with a written decision. The decision of the Hearing Officer is final, unless either party elects to appeal the decision to a court of law.

Public Purpose Investments

In 2017, Snohomish County PUD invested the following in public purpose activities: \$16.1 million in direct funding of conservation programs; \$32.3 million in non-hydro renewable purchases; and \$6.4 million in low-income assistance. Funding for conservation programs came from the PUD's general fund. Funding for non-hydro renewables came from the PUD's operating budget. Funding for the 2017 low-income energy assistance came from an average 0.104 cents per kWh for all non-discount customers, with additional funding from the PUD's general fund and a state utility tax credit. Note: Some of the environmental attributes from renewable energy purchases have been sold to fund other PUD renewable energy research and development efforts.

Taxes Paid

The PUD was assessed \$68.9 million in taxes in 2017. Those taxes are as follows: \$25,275,467 in combined excise taxes, \$12,983,180 in state privilege taxes, \$222,459 in leasehold taxes, \$8,224,138 in state sales and use tax, \$20,588,969 in city occupation taxes, \$12,330 in Social Security taxes, \$1,517,408 in Medicare tax, and \$92,156 in unemployment tax.

Customers who live within a municipality that assesses a city occupation tax are billed directly for those

taxes through their PUD bill. Those who hold leases are directly assessed the leasehold tax. Excise taxes and the state privilege tax are built into the cost of electricity.

Additional Information

For more information, including the most current figures for all categories listed in this document, please visit our website at www.snopud.com or call the PUD Customer Service Department.

Customer Service 425-783-1000

Monday through Friday (excluding holidays)
8:00 AM to 5:30 PM

*Toll-free in Western Washington and outside
the Everett local calling area at 1-877-783-1000*



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