



## **Benton PUD proposed rate increase approved**

(Kennewick) At today's Benton PUD Commission meeting, the proposed retail rate increase was approved. The average residential bill increase is approximately \$5.50 a month effective September 1, 2016.

For an average Benton PUD residential customer, this will result in an increase in the average monthly bill from approximately \$108 to \$113 (a 4.9 percent increase). The median monthly bill for comparable Northwest utilities is \$121.

The average monthly residential base charge will increase to \$16.50 from \$15.60. The median base charge for comparable utilities is \$18.75.

All other customer classes will also have a 4.9 percent rate increase effective September 1, 2016.

The primary reason for the increase is net power costs. Net power costs, which represent over 60% of Benton PUD's total costs, have increased \$14.7 million since 2012, nearly 23 percent. Power costs include long term contracts to purchase power primarily from the Bonneville Power Administration (BPA). BPA wholesale rates have increased 26 percent in the last five years due to the need to upgrade aging infrastructure at the hydroelectric dams, the construction of transmission for the integration of renewable resources, and increases for fish and wildlife programs. Another key factor to rising power costs is reduced revenues from surplus power for resale.

Benton PUD's last overall revenue increase was 3.9% in September 2015. Prior to that, Benton PUD had not had a retail rate adjustment for nearly four years.

Benton PUD held customer meetings to provide more information about the proposed rate increase prior to making the final decision. More information can be found on the Benton PUD website – [BentonPUD.org](http://BentonPUD.org).

(end)

Benton PUD serves over 51,000 customers in Kennewick, Prosser, Finley, Benton City and surrounding areas in Benton County.