



August 10, 2017

Benton PUD considering a rate increase effective October 1, 2017

(Kennewick) An informational rate meeting for Benton PUD customers will be held to provide an update on the issues that impact power rates and the proposed rate increase.

**Benton PUD Rate Information Meeting
5:30 p.m., Tuesday, August 15, 2017
Benton PUD Auditorium, Kennewick**

Benton PUD is considering a 1.9% retail rate increase to all customer rate classes effective October 1, 2017. The increase is directly attributed to the Bonneville Power Administration's (BPA's) 5.4% average wholesale rate increase effective the same day. BPA is the primary provider of power to Benton PUD and its customers.

For a Benton PUD residential customer, the proposed increase would be applied to the residential daily system charge which would increase from 55 cents per day to 62 cents per day. The residential rate per kilowatt-hour (kWh) will remain the same.

For an average Benton PUD residential customer, this would result in an increase in the average monthly bill from approximately \$113.40 to \$116.50 (a 1.9 percent increase).

The median monthly residential bill for comparable Northwest utilities is \$122.

For all other customer classes, the proposed 1.9% increase would apply to daily system charges or demand charges (where applicable).

The need for a revenue increase is directly attributed to BPA's 5.4 percent average wholesale rate increase effective October 1, 2017. BPA's increase impacts Benton PUD by 3.8 percent. BPA's wholesale rates continue to rise primarily due to decreasing wholesale market prices. BPA uses revenues from selling excess energy into the wholesale market to offset rates charged to utilities. Lower wholesale market prices result in lower wholesale market revenues to offset these rates.

Benton PUD's last overall revenue increase was 4.9% in September 2016.

The customer rate meeting will provide more information about the proposed rate increase. Customers are encouraged to attend the meeting to learn more and provide their input. The meeting will take place at Benton PUD Auditorium located at 2721 W. 10th Ave., Kennewick, WA.

(end)

Benton PUD serves over 53,000 customers in Kennewick, Prosser, Finley, Benton City and surrounding areas in Benton County.