

From: Central Lincoln People's Utility District
Subject: Segmentation Comments
Date: February 3, 2014

Segmentation Talking Points

My name is Debra Smith and I'm the General Manager of the Central Lincoln People's Utility District. We are a rural utility with approximately 38,200 residential customers, 4,000 commercial customers and one large industrial customer who accounts for approximately 40% of our load. Our service territory includes parts of four counties and more than ten incorporated cities.

About 75% of our load is received at 69 kV including the industrial customer who receives an unbundled rate. A change in segmentation would obviously have significant rate impacts on all of our customers, both large and small. I agree with the comments made by John Saven on behalf of NRU and I strongly support and believe in the "Widest Use Standard" for BPA transmission. I offer the following additional comments, based partially on data from quickfacts.census.gov:

Central Lincoln's large industrial load as well as customers in the cities of Depoe Bay, Toledo and Newport, are all located in Lincoln County, which has a median household income of just under \$42,000 per year. Snohomish County has a median household income of just over \$68,000. Per capita income in

Lincoln County is just over \$25,000 per year which is about \$6,000 less than in Snohomish County.

The percent of customers below the poverty level in Lincoln County is approximately 16%. 9.8 % of customers in Snohomish County are below the poverty level. Snohomish County is better off than Washington State as a whole, which is better off than the state of Oregon, which is better off than Lincoln County. The comparisons to the city of Florence Oregon, which is in rural Lane County, are even more striking.

Any move to re-segment the transmission system will result in a transfer of wealth and jobs from low income, high unemployment communities to economically thriving urban and suburban areas. It would also result in taking money from the pockets of rural North westerners and giving it to large, national and multinational corporations. The change is unwarranted and the outcome is unjust.

This is an extremely important issue for Central Lincoln and we appreciate the Bonneville Administrator making this a personal priority.

Thank you.