



PUBLIC UTILITY DISTRICT NO. 1 of CHELAN COUNTY

P.O. Box 1231, Wenatchee, WA 98807-1231 • 327 N. Wenatchee Ave., Wenatchee, WA 98801

(509) 663-8121 • Toll free 1-888-663-8121 • www.chelanpud.org

August 21, 2020

Commissioner Kevin Overbay via email: kevin.overbay@co.chelan.wa.us

Commissioner Bob Bugert via email: bob.bugert@co.chelan.wa.us

Commissioner Doug England via email: doug.england@co.chelan.wa.us Public

comment via email: CD.STRComment@co.chelan.wa.us

RE: Chelan County's Proposed Regulations for Short-Term Rentals

Dear Commissioners:

Public Utility District No. 1 of Chelan County (PUD) welcomes the opportunity to comment on the county's proposed code changes for short-term rentals (STRs) to raise awareness of limitations on the Stehekin power grid. While the PUD is not charged with community growth planning and therefore does not take a position on STRs, we are interested in any potential load growth that may affect the reliability of electricity service. In general, the PUD has adequate capacity to meet the needs of growing communities in the county, but in one particular location, Stehekin, use has grown to match capacity, and future growth requires careful planning to ensure the Stehekin system remains safe and reliable. We would like to take this opportunity to explain the constraints in the Stehekin power system and to ask the county to take every opportunity in its planning processes to consider the issue and to collaborate with the PUD so that reliable service can be maintained in Stehekin.

As the county Comprehensive Plan notes, the PUD's electricity capacity in Stehekin is limited. The Stehekin power grid is served by very small hydroelectric and diesel generators. Because the Stehekin grid is not connected to the Northwest power grid, we cannot simply add a new substation or re-conductor a distribution line as we would do on other parts of the PUD system. The demand for electricity in Stehekin continues to increase and is now at levels that strain the system's ability to provide continuous reliable service during times of peak demand. In collaboration with the Stehekin community, we are evaluating conservation measures that will reduce the load on the Stehekin grid as well as encouraging the use of alternative fuels (e.g., propane) for uses that currently consume electricity. We are also evaluating options for battery storage and additional generation, though many options may prove infeasible. A draft copy of the Peak Generation and Energy Resource Plan for Stehekin is attached. It addresses these topics in more detail and is currently being discussed with the Stehekin community. Even if feasible solutions are identified and implemented, continued load growth could quickly use up any additional capacity that is created. Through dialogues with the community, we are committed to continued, reliable service consistent with Stehekin's unique character.

The PUD is concerned with any potential load growth in Stehekin because the margins are so narrow on the electrical system. Regarding the county's proposed code changes for STRs, our concern lies with uses that may result in load growth in Stehekin. In this context, the PUD encourages the county to consider the following in the adoption of the code: the county should use its permitting authority as it applies to Stehekin to ensure the continued safe and reliable operation of the Stehekin power grid by requiring consultation with the PUD and confirmation of available capacity to serve any proposed new load. We also encourage the county to consider requiring any permitted development or remodeling of existing facilities to implement the use of alternative fuels to provide non electrical system options for: pumping, water and space heating, cooling, and cooking. For lighting, the PUD recommends the use of high efficiency LED bulbs and fixtures to minimize lighting load. We welcome continued dialogue with the county on how the safety and reliability of the Stehekin power grid can be maintained, and we stand ready to provide additional information on the state of the Stehekin power grid.

Using the county's planning and permitting authority to address power consumption in Stehekin would be consistent the county's Comprehensive Plan. Chapter 7 (Utility Element) of the plan recognizes the county's role in considering the capacity of existing utilities and the county's role as a coordinator of responsible development. The goals and policies in that chapter recognize the objectives of minimizing interruptions to service and encouraging energy conservation. They also recognize the policy need to address the limited generation available in Stehekin.

The PUD looks forward to working with the county to ensure the continuing viability of the Stehekin power grid and the ability to serve the PUD's customer-owners in that location.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Wright", with a long, sweeping underline.

Steve Wright
General Manager

Attachment: Draft Generation and Energy Plan for Stehekin