

Media release

COWLITZ COUNTY PUD

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Cowlitz PUD Takes Action to Protect Customers in Event of Federal Default

Out of a concern for a worst case scenario should Congress not reach a timely agreement on the Federal debt ceiling issue, Cowlitz PUD's Board of Commissioners has unanimously approved a plan that will ensure the lights will stay on for customers who count on Social Security or Federal pensions.

"Our action reflects the PUD's concern if there is a Federal default, and it results in Social Security and Federal pension checks being suspended for some period of time. That would create a situation where it would be difficult, maybe even impossible for some, to pay their electric bill in a timely manner," PUD Board President Mark McCrady said.

"We took the action because we want to be prepared to best serve our customers as their local utility, just in case," McCrady said.

The Board action authorizes PUD staff to suspend or deviate from standard credit and collection policies and practices in the event of a Federal suspension of Social Security or pension checks. Bills would be sent out as normal and the PUD credit services staff would work with impacted customers to defer payments without penalty.

PUD would withhold payments to BPA

The same resolution also authorizes the PUD to withhold the amount of the customer payments not received, from what it is billed for power purchases by the Bonneville Power Administration, a Federal agency. In this scenario, once the Federal government resumes its normal distribution practice to its affected constituents, the PUD would repay BPA any monies it owes and resume normal bill payment practices.

"Essentially this is our statement to Congress and the President to do what the people expect and figure this all out, for the benefit of their constituents," McCrady said.

Further announcements will be made by the PUD as necessary as the Federal debt ceiling discussion evolves over the coming days.

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