

POWER LINE

NEWS FROM THE GRASSROOTS – AMERICA'S COOPERATIVE COMMUNITIES • SUMMER/FALL 2006

Oregon

OREGON RURAL ELECTRIC COOPERATIVE ASSOCIATION

Your Opinion Matters!

Many electric co-ops purchase all of their power from the Bonneville Power Administration (BPA), which markets hydroelectricity generated by the region's rivers. Additional generation is needed to serve the region's growing demand for electricity.

BPA and its customers have made substantial investments in new renewable energy projects, including wind, solar and biomass. Some groups and individuals in the region are promoting renewable projects as an alternative and better way to generate electricity than fossil fuels. However, new renewable sources are more expensive.

In 2007 the Oregon State Legislature will consider legislation that could require electric co-ops purchase more of their electricity from renewable projects. The Oregon Rural Electric Cooperative Association (ORECA) is interested in your opinions regarding renewable energy and its costs.

Please take a minute to complete this survey on line at www.oreca.org/survey, or return it to ORECA, 707-13th St SE, Suite 200, Salem, OR 97301. Your opinion matters, so please tell us what you want ORECA to tell your State Legislators about this important issue. Thank you!

1. Currently your local co-op board decides where your electricity comes from. Should the state tell your electric co-op what type of power it has to buy?
- Yes
 No
 Maybe

2. What is your perception of renewable energy costs?
- More expensive
 Less expensive
 Same cost as we're paying for hydroelectricity

3. Are you willing to pay more in electricity costs or pay additional taxes for renewable energy?
- Yes
 No

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4. If so how much are you willing to pay?
- I don't want to pay more for electricity.
 I like renewable power no matter what the cost.
I would pay
 4% more
 6% more
 10% more
 15% more +
5. Should new renewable resources and their associated costs be optional for co-op members, or should all electric ratepayers have to pay for it?
- It should be optional.
 All ratepayers should pay for it.
6. A "tax incentive" to developers of renewable power sources spreads additional cost among all taxpayers in Oregon because it reduces revenue to the State. A "mandate" for an electric utility is just paid for by ratepayers through their electricity bill. Does it make sense for the government to offer tax incentives to develop renewable energy sources, or mandate it for all electric utilities?

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Opinion Matters

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- Tax incentives
- Mandate it for all utilities
- I don't know/Unsure

7. Are there any other thoughts you might have about renewable power?

8. Which co-op do you belong to?

- Blachly Lane Electric
- Columbia Basin Electric
- Coos-Curry Electric
- Douglas Electric
- Hood River Electric
- Lane Electric
- Midstate Electric
- Oregon Trail Electric
- Salem Electric

- Umatilla Electric
- Wasco Electric
- West Oregon Electric
- Other _____

9. What is your age?

- 18-24
- 25-34
- 35-44
- 45-54
- 55-64
- 65-74

- 75-84
- 85+

10. What is your income level?

- \$0-17,499
- \$17,500-24,999
- \$25,000-34,999
- \$35,000-49,999
- \$50,000-74,999
- \$75,000-99,999
- \$100,000-149,999
- \$150,000+ •

North Central Oregon fast becoming the "Energy Basket" of the Northwest

Once considered solely an agricultural-based economy, North Central Oregon is fast gaining respect as the new "Energy Basket" of the entire northwest. Over the past fifteen years, and into the next ten years, many new electric generating facilities have, and will be, providing electrical energy for the entire region's needs.

Major Bonneville Power Administration (BPA) and utility-owned transmission lines

running the length of the Columbia George, and south into California, provided the transit infrastructure for development of new coal, natural gas, methane, and wind powered generating facilities. Federal and state tax credits and incentives have spurred development into a frenzy, considering the normal long-time-frame planning process associated with developing and implementing new power plants.



Heppner Generating Plant

A recap of the newer facilities is surprisingly long:	Approx. megawatts of power:
1. PGE managed Boardman coal-fired plant	780
2. Coyote Springs natural gas plant #1	270
3. Coyote Springs natural gas plant #2	270
4. Cal-Pine natural gas plant	500
5. Hermiston Generating natural gas plant #1	250
6. Hermiston Generating natural gas plant #2	250
7. Heppner Generating wood-waste plant	9
8. SeaWest Condon wind farm	49
9. Klondike wind farm #1	25
10. Klondike wind farm #2	75
11. Klickitat PUD landfill methane gas recovery plant (Washington)	10
12. Klickitat PUD landfill methane gas recovery plant expansion (proposed)	10

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“Power Pals” Wins Award for Safety

West Oregon Electric Cooperative (WOEC) wants everyone to “Play it Safe with Electricity!” Tim Titus, Serviceman and Journeyman Lineman at WOEC, received the State Fire Marshal’s Silver Sparky Award at the Fifth Annual Oregon Fire Services Meritorious Awards banquet held at the Portland Metropolitan Exposition Center on Friday, May 19th.

Tim received the award for his “Power Pals” program that presents electrical safety and electrical fire safety education throughout the state to fire departments, schools, and organizations. For his volunteer efforts, time, and service to the communities and citizens of Oregon, Tim was recognized and awarded with this presti-

gious award sponsored by the Oregon Fire Chiefs Association.

“Power Pals” goes to local schools and provides valuable electrical safety training. Tim uses a model electrical system with poles, wires, and even toy WOEC bucket trucks. He simulates dangerous electrical situations to impress upon the students the importance of safety. With the tabletop model, Tim is able to demonstrate the power of electricity through shocks and burning things that come into contact with the “energized” lines.

Kids and adults really enjoy Tim’s presentation. It leaves them with a lasting impression about the importance of safety around electrical service. One of the students’ favorite things on the electrical board is when a



Tim Titus and his wife Dawn at the Meritorious Awards

string catches fire.

“Power Pals” has helped to prevent injuries, save lives, and help people avoid dangerous situations through education and awareness. Tim says, “If I can save someone from getting injured or killed, that is most gratifying feeling I can have.” •



Tim Titus “Power Pal”

A recap of the newer facilities is surprisingly long:	Approx. megawatts of power:
13. Stateline wind farm	300
14. VanSickle Ridge wind farm	29
15. 9-Canyon wind farm (Tri-Cities)	63
16. Leaning Juniper wind farm at Arlington (phase one)	100
17. Shepherd’s Ridge wind farm at Cecil (proposed)	750
18. 3 Mile Canyon Farms methane recovery plant (under construction)	4
19. Finely Butte landfill methane recovery plant (proposed)	24
20. Oregon Waste landfill methane recovery plant (proposed)	24
21. PPM wind farm @ Rufus (proposed)	300
22. Orian wind farm @ Rufus (proposed)	400
23. Invenergy wind farm @ Cecil (proposed – phase 1)	72
24. Invenergy wind farm @ Cecil (proposed – phase 2)	78

This myriad of power generation projects brings economic gains to the region in the form of employment and services required to operate the facilities, as well as the production of needed energy to run a bustling Northwest economy. With the projects currently on-line, and the projects proposed and under-construction, the North Central region of Oregon is indeed becoming the northwest’s “Energy Basket”. •



Congress Clears Pension Bill With Co-op Provisions

BY STEVEN JOHNSON

In a major victory for electric co-ops, Congress approved a pension bill containing provisions critical to multiple-employer pension plans like NRECA's Retirement Security Plan, despite a wave of political maneuvering that threatened to derail the measure.

The Senate voted 93-5 for the bill, Aug. 3, after the House passed it in late July. The measure passed after legislators batted back attempts to load it with an estate tax repeal, business tax breaks and minimum wage provisions.

"America's electric cooperatives applaud the United States Congress for its passage of pension reform legislation that recognizes the special nature of NRECA's Retirement Security Plan," said NRECA CEO Glenn English.

The legislation, a response to news of companies breaking pension promises to workers, closes loopholes that enabled companies to report their pen-

sion plans were financially secure, even when they carried large liabilities.

Dena G. Stoner, NRECA vice president for government relations, credited co-ops with convincing members of Congress that the NRECA plan did not pose a risk to the Pension Benefit Guaranty Corporation, the federal pension insurance program.

The co-op provisions were included in an earlier Senate-passed version of pension reform, but not a House-passed version.

As the chambers worked toward the compromise legislation that became the final bill, co-ops delivered signatures of 161 representatives to House leaders, urging them to include the co-op provisions in the compromise legislation.

"Our members' grassroots involvement was critical to our success," said NRECA pension lobbyist Chris Stephen.

"Without these provisions, co-op costs would have increased dramatically in the near term, which could force

our members to either reduce benefits to their employees or institute what amounts to an 'electricity tax hike' on rural American families—a no-win situation for rural America."

Some 880 individual rural electric cooperatives participate in NRECA's plan, which cover about 58,000 employees in the U.S.

It allows small businesses to pool their experience and expenses by maintaining a single plan, and to use economies of scale to provide employees with comprehensive retirement benefits. The plan is the strongest recruitment and retention tool for many electric co-ops.

House and Senate committee leaders had been negotiating since March to resolve differences in their bills.

In early August, members realized that the pension bill would be the last major measure to pass before the election, Stephen said, sparking competing legislative agendas.

"The leadership did something many of us had not seen since we have been in Washington, where a bill was pulled out of a conference committee, reconstructed and passed," Stoner said.

"It got caught up with a group of congressional members who saw the estate tax as the most important thing to pass and thereby endangered the very important pension provisions."

Stephen noted that many of the votes against the bill in the House represented a protest against undercutting the conference committee process. A technical corrections bill to deal with loose ends is expected in September, he added.

Stoner said the bill, which Bush is expected to sign, gives co-ops in the Retirement Security Plan 10 years before many of the expensive pension provisions take effect. That gives them time to demonstrate the effectiveness of their plans, she said. •



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