

POWER LINE

NEWS FROM THE GRASSROOTS – AMERICA'S COOPERATIVE COMMUNITIES • SUMMER 2007

Oregon

OREGON RURAL ELECTRIC COOPERATIVE ASSOCIATION

Message from Executive Director

By Sandy Flicker, Executive Director, Oregon Rural Electric Cooperative Association, Salem, OR



Sandy Flicker

The 2007 Oregon Legislative Session adjourned on June 28. The early exit fulfilled a promise made by leadership when they took office in January. Legislators are already planning to declare an “emergency special session” in February of 2008 and will then ask voters to amend the Constitution to allow for “regular” annual sessions beginning in 2009.

This was a busy year for the Oregon Rural Electric Cooperative Association (ORECA). The 2007 Legislature had many priority issues and energy was at the top of the list. Governor Kulongoski announced more than a year ago that he intended to pass a renewable portfolio mandate, along with increased tax incentives to promote renewable development. He was successful with both issues. The Legislature passed a 25 X 25 (25% renewable power by 2025) mandate for Oregon utilities and increased the tax incentives for renewable development. In addition, a Global Warming Commission was created and appointments to this Commission will be made by the Governor.

Because of the support of many legislators, ORECA was able to obtain an exemption from the Renewable Portfolio Standard (RPS) – Senate Bill (SB) 838 – for all of its co-op members. We requested this exemption for two reasons. One, we already use more than 70% clean, renewable hydro power. Two, we have legislative authority to govern our utilities by our locally elected boards – not by state mandates.

This achievement was credited to the early and continued education of our co-op legislators by co-op Board members, Managers and staff, and the important action by our *Power of Community* members. When the RPS legislation was at a critical point, we asked for your help contacting your legislators in Salem. Over 300 e-mails alone were counted!

Thanks to a great team grassroots effort, consumer-owned utilities are exempt from an RPS until 2025. At that time all utilities serving less than 1.5% of the total state load are required to have 5% renewables other than hydro and utilities between 1.5% and 3% of total state load are required to have 10% in renewables. The mandate includes favorable language that allows utilities that will have increased loads that move them over the 3% exemption level to maintain their Tier 1 low-cost preference power

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purchases from BPA and does not subject them to any new costly oversight from the Public Utility Commission (PUC).

Oregon co-ops have always supported renewables. Oregon's electric co-ops have made substantial investments in new renewable energy projects, including wind, solar and biomass, through their own projects and contracts for wholesale power from the Bonneville Power Administration. ORECA is particularly interested in renewable projects that will provide jobs and other economic development opportunities for communities served by electric co-ops and we will continue to support and invest in renewables as technology develops and transmission is available.

There were several other issues of importance to electric co-ops that were resolved favorably.

ORECA defeated the following bills:

- Mandating a fee be paid to the PUC for safety inspections that are already being performed
- Eroding Oregon co-ops' ability to manage pole attachments
- Mandating low-income billing assessments on each co-op customer's monthly bill

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Thanking ORECA's Legislative Friends



Our success this past legislative session in defeating legislation that would have increased electricity rates of our co-op members was due to our many Legislative allies. Our co-op Legislators provided tremendous support and assistance in protecting your pocketbook. Some

Legislators were in a position to provide critical support because they served on one of the Committees of jurisdiction over energy issues. Other Legislators were influential by working within their Caucus to carry our message. Others in leadership lent their support using their leadership power.

The Legislative process is a very complex political process and there are many ways that Legislators can provide assistance to their constituents. It isn't always about the final vote on an issue. Many of our co-op Legislators voted yes on SB 838 – the Renewable Portfolio Mandate bill. But they only voted yes when they were assured their co-ops received the exemption they were requesting.

Our co-op Legislators provided tremendous support and assistance in protecting your pocketbook.

ORECA worked very closely with all our co-op Legislators and others to make sure we provided them with all the information they needed about the impact of an RPS on their co-ops. Armed with this information, they went to bat for us and in doing so we garnered enough votes to be successful.

We are very thankful for the support of our co-op Legislators. As you see them in your communities, be sure to express your appreciation for their help in avoiding unnecessary electricity rate increases. •

Your Questions about Mercury in CFLs Answered

Many reports of late have focused on a growing concern with the mercury in compact fluorescent light bulbs (CFLs). CFLs, when compared with standard incandescent bulbs, offer many benefits. First, they help save energy and money. They use 2/3 less energy than standard incandescent light bulbs, and last up to 10 times longer. Replacing a 60-watt incandescent with a 13-watt CFL can save you at least \$30 in energy costs over the life of the bulb. Second, CFLs offer convenience, because they last longer, and come in different sizes and shapes to fit almost any fixture. In addition, CFLs produce about 70% less heat than standard incandescent bulbs, so they're safer to operate and can help cut energy costs associated with home cooling.

The Environmental Protection Agency (EPA) has provided the following answers to questions regarding the safe handling and disposal of these energy efficient light bulbs. When shopping, always look for ENERGY STAR® qualified CFLs which have a two-year warranty.

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Q Is it true that CFLs contain mercury? Why and how much?

CFLs contain a very small amount of mercury sealed within the glass tubing – an average of 5 milligrams (roughly equivalent to the tip of a ball-point pen). Mercury is an essential, irreplaceable element in CFLs and it allows the bulb to be an efficient light source. By comparison, older home thermometers contain 500 mg of mercury and many manual thermostats contain up to 3,000 mg.

Q Should I be concerned about using CFLs in my home, or should I take any special precautions?

CFLs are safe to use in your home. No mercury is released when the bulbs are in use and they pose no danger to you or your family when used properly. However, CFLs are made of glass tubing and can break if dropped or roughly handled. Be careful when removing the bulb from its packaging, installing it, or replacing it. Always screw and unscrew the bulb by its base, and never forcefully twist the CFL into a light socket by its tubes. Used CFLs should be disposed of properly using the guidance below.

Q What should I do with a CFL when it burns out?

Like paint, batteries, thermostats, and other hazardous household items, CFLs should be disposed of properly. Do not throw CFLs away in your household garbage if better disposal options exist. To find out what to do first check the following website: www.earth911.org or call 1-877- EARTH911 for local disposal options. Another option is to check directly with your local waste management agency for recycling options and disposal guidelines in your community. If they do not offer other disposal options except your household garbage, place the CFL in a plastic bag and seal it before putting it in the trash. Never send a CFL or other mercury containing product to an incinerator.

Q What should I do if a CFL breaks?

Because there is such a small amount of mercury in CFLs, your greatest risk if a bulb breaks is getting cut from glass shards. You can minimize any risks by following these proper clean-up and disposal guidelines:

- Sweep up – don't vacuum – all of the glass fragments and fine particles.
- Place broken pieces in a sealed plastic bag and wipe the area with a damp paper towel to pick up any stray shards of glass or fine particles. Put the used towel in the plastic bag as well.
- If weather permits, open windows to allow the room to ventilate. •



Message *continued from page 1*

- Impacting your co-op's BPA power allocation should a new state public power utility be formed

We supported and helped pass:

- The renewable tax incentives legislation
- An important metals theft bill

The only issue that was not resolved in our favor was our effort to exempt co-ops from an intangible tax on the third AC intertie, an important interstate transmission line. This was a tax equity bill that would have included co-ops in an exemption that has been extended to other consumer-owned utilities. ORECA will revisit this issue in a future legislative session.

This was a big year for ORECA and the co-op members it represents. The work accomplished in 2007 will position us well for future discussions of renewable development in Oregon and assist in maintaining our legislative authority to govern our utilities by your locally elected board of directors.

Thank you to all *Power of Community* supporters who accepted our call to action, and to all co-op Board members, Managers and employees for their continuing communication with their legislators. This was a big victory for co-ops and we couldn't have accomplished it without the support of our grassroots members and our friends in the legislature. •

NRECA Emphasizes Hydropower's Role in Climate Change Debate

BY JESSICA TIAHRT

As climate change continues to play a prominent role in the national political scene and Congress proposes ambitious CO₂ reduction goals, electric cooperative leaders have taken on the task of educating their state and federal officials on the realities of proposed regulations.

Some lawmakers see simply switching to renewable energy as a quick fix. Their goals require implementing stringent mandates that could increase costs for consumer-owners. In response, co-op leaders and the National Rural Electric Cooperative Association have met members of the U.S. House of Representatives and Senate with "straight talk" about reaching climate change objectives while striving to keep rates down and more importantly, the lights on. The message to Congress is that there is no "silver bullet" to address the issue. NRECA and electric co-ops want lawmakers to

understand it will take a variety of solutions to resolve the climate change debate. That includes pressing Congress to recognize the role hydropower can play in achieving these goals.

In May, over 2,800 co-op managers and directors traveled to Washington, D.C. for the annual Legislative Conference hosted by NRECA. Attendees, including representatives from ORECA, Lane Electric Cooperative, and Umatilla Electric Cooperative, visited Capitol Hill to deliver the "straight talk" to their lawmakers.

Shortly after the co-op grassroots lobbying effort, the House Appropriations Subcommittee on Energy and Water showed they understand the importance of the nation's dams when they included language supporting hydropower investment. The report stated, "Energy security and issues of global climate change are increasingly important to the decisions made regarding infrastructure invest-



ment. Hydropower improvements at existing facilities provide a reliable, efficient, domestic, emission-free resource that is renewable...."

Another part of the co-op message to Capitol Hill included an ambitious seven-point plan proposed by the Electric Power Research Institute (EPRI). By incorporating a portfolio of technologies over the next 25 years including increased efficiency and expanding the nuclear program, EPRI projects, "it is potentially feasible for the U.S. electric sector to first slow the projected increases in CO₂ emissions then to stop the increase, and eventually to

decrease emissions while meeting an ever increasing demand for reliable and affordable electricity."

Congress is expected to take up comprehensive climate change legislation this fall. NRECA continues to stress the importance of hydropower and the need for investment. They also ask federal lawmakers to provide substantial, long-term research and development funding for electricity technologies. NRECA will remain vigilant against mandates on renewables and efficiency that could increase costs for consumer-owners in all regions of the nation. •



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