

POWER LINE

NEWS FROM THE GRASSROOTS – AMERICA'S COOPERATIVE COMMUNITIES • WINTER 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

You cannot open a newspaper, see an advertisement, or watch a news program on television that doesn't focus on global warming and climate change. In the past year we have witnessed discussions about this environmental issue go from 0 to 100 at warp speed. Why? Was it really Al Gore's documentary film that brought attention to the issue? I don't know the answer. The global climate may have changed by a few degrees but the political climate has shot through the thermometer!

Everyone from local cities, regional groups, state legislators, and the US Congress to foreign countries are looking at how they can reduce greenhouse gases in their area of influence.

ORECA and other key players in the energy industry are now engaged in a continual discussion of how change will occur and what effect that will have on the industry. My job as the representative of Oregon electric cooperatives is to make certain that solutions to global warming look at all contributing sectors and not simply charge the energy industry with affecting change.

As solutions are considered from the local government level to the federal level we will work with legislators to make certain that any legislation passed will not harm our consumers in Oregon. We keep reminding legislators that Oregon co-ops already use over 70 percent clean, efficient renewable hydro and wind power. We will



WHAT'S INSIDE

2

CBEC GROWS RENEWABLES

3

HIGH SCHOOLS GET A BOOST FROM SOLAR POWER

NEW MANAGERS' PROFILES

4

FEDERAL CLIMATE CHANGE LEGISLATION EMERGES

also continue to work with our members to find ways we can all contribute to global warming solutions.

Everyone from local cities, regional groups, state legislators, and the US Congress to foreign countries are looking at how they can reduce greenhouse gases in their area of influence.

Oregon co-ops are supporting renewable energy and are continually looking for ways to cost-effectively and safely incorporate more renewable energy into their utility portfolios. You can read about a few projects going on around the state in this edition of *Powerline*.

This issue is complex, the solutions will not be easy, or quick, but this I can promise you – ORECA will work towards the best outcome for today and all the “todays” of the future. •

CBEC Grows Renewables

Columbia Basin Electric Cooperative | Heppner, Oregon



Leaning Juniper Wind turbines overlooking Columbia Basin Electric Cooperatives Alkali Substation.

With climate change being the number one topic from Washington D.C. to Salem to Main Street in rural America it's clear that renewable resources must be developed to offset greenhouse gases. Like other areas of eastern Oregon and Washington, Columbia Basin Electric Cooperative has experienced both the good and the bad growing pains of this relatively new renewable industry.

Finley BioEnergy is located in Morrow County about 12 miles south of Interstate 84 at

the Finley Buttes Landfill. Methane gas is a greenhouse gas far more potent than carbon dioxide. This project will install a methane gas collection system at the landfill and convert this harmful gas, in a cost-effective manner that is good for the environment, into renewable electric energy. FinleyBio Energy will install two Caterpillar engines capable of producing 3.2 MW of energy, enough to provide power to 2,500 homes. This green project will be located next to Cascade Specialties, an onion dehydrator that hopes to purchase 11 MMBtu's per

hour of 220 degree water generated by the engines, to preheat the air used to dehydrate onions. By using the waste heat from the generators, Cascade will be able to reduce or eliminate the burning of natural gas further reducing greenhouse gas emissions. This project is in final testing now and will be fully operational in December.

Oregon Waste System, located eight miles South of Arlington in Gilliam County, is in the final design stage for a 6.4 MW methane-to-energy project. This project will also use methane gas generated from the decomposition of solid waste to produce enough energy to

remove greenhouse gas emissions equal to removing 21,000 cars from our national highways.

These two gas-to-energy projects will add diversity and reliability to renewable generation in Oregon. Gas generation projects produce electricity 98 percent of the time compared to approximately 31 percent for wind projects.

Willow Creek Winds is located 14 miles Northwest of Ione, Oregon. This new 150 MW wind project will start phase one of construction in March 2008. The project is maximizing the real estate under the turbines with consideration for the ongoing circle



Future site of Oregon Waste Methane Generation Station

serve 5,000 homes. Presently Oregon Waste collects and flares the methane gas in an environmentally approved system. Waste Management, the parent company of Oregon Waste, is an industry leader in the methane-to-energy field. This project in Gilliam County will add to their generation facilities across the nation that produce enough energy to supply over one million homes and

irrigation systems and maintaining the most feasible grazing patterns possible. Leaning Juniper and Condon Wind are two operating renewable wind projects currently in Columbia Basin Electric's service territory.

The addition of jobs, investment, taxable valuation and increased energy sales to these generation facilities is always a welcome addition in our rural communities and cooperatives. *

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High Schools Get a Boost from Solar Power

Oregon Trail Electric Consumers Cooperative | Baker City, Oregon

Oregon Trail Electric Cooperative (OTEC) began a renewable energy education program in 2006. The goal is to install a permanent 1 kilowatt (kW) photovoltaic (PV) electric generation system in at least six high schools in the four-county service area. So far, PV systems have been installed at high schools in Baker City, Burns and Cove. Three more schools will be selected for PV installations during the 2008-2009 school year.

“Renewable energy is very important because it’s energy that is produced by resources that are replenished naturally and minimize harm to the environment,” said Steve Schauer, member services manager of OTEC.

With the PV system, students learn how the sun makes electricity, and how a fixed array – a system of PV modules that function as a single electricity-producing unit – generates energy in relation to the position of the sun. The system also has an online monitoring tool that allows students to track solar energy production and correlate the data to weather conditions and positions of the sun.

OTEC supplied lesson plans created by the University of Oregon Solar Radiation Monitoring Laboratory. Through the high school curriculum, students also learn the economics of installing solar generation.

Each 1 kW system placed in the schools costs about \$13,000.

Alan McCauley, a science teacher at Baker High School, said the PV system and the curriculum introduced in the last unit of the past school year was a big hit. His classes spent over two weeks studying renewable energy.

“We had some good discussion, and the kids were very



Osterberg

receptive. I think the program is going to get bigger and better as we continue to use it each year.”

McCauley believes hands-on learning is a valuable way to pre-

sent information to students.

In eastern Oregon, with the recent introduction of a windmill farm and proposals for a hydroelectric power plant on the Powder River, McCauley says it will become even more important to include renewable energy lessons in the classroom.

Schauer agrees. “OTEC is pleased to offer this renewable education program that benefits so many consumers,” he said. “Since the PV systems in the schools are permanent, students will be able to utilize them year after year.” •

Meet the New General Managers



Jeff Davis,
General Manager
WASCO Electric
Cooperative
The Dalles,
Oregon

Jeff Davis officially started his position as General Manager of Wasco Electric Cooperative January 1, 2007.

“I’ve been with Wasco for 26 years,” Davis said, noting that his initial job was working outside as a groundman helper.

Energy issues and area growth are just two of the many issues Davis expects to deal with in the future. Regulatory issues have forced some of the biggest changes he has seen in the utility industry.

Davis attended Oregon State University before returning to The Dalles to begin his career at Wasco. He and his

wife, Julie, have three children, Jordan, Janell and Jaime.



Roger Meader,
General Manager
and CEO Coos-
Curry Electric
Cooperative
Port Orford,
Oregon

At a special Board meeting held September 7, the Coos-Curry Electric Board of Directors elected to hire Roger Meader as General Manager/CEO. Roger had been acting as interim since April.

Meader joined the co-op’s highly talented staff in November 2006 to focus on securing a long-term power supply for CCEC’s members. He brought nearly 30 years experience in operations, engineering and power resource development.

Armed with a degree in elec-

trical engineering from Washington State University, Meader joined the Blachly-Lane County Cooperative Electric Association as Operations and Engineering Manager. His most recent position in his extensive career with electric cooperatives was with Okanogan County Electric Cooperative in Winthrop, Washington, where he served 10 years as General Manager. Roger and his wife Kathleen, a native of Langlois, live in Bandon.



Werner Buehler,
Executive Vice
President and
General Manager,
Oregon Trail
Electric Consumers
Cooperative, Baker
City, Oregon

In October, Oregon Trail Electric Co-op (OTEC)

continued on page 4

Federal Climate Change Legislation Emerges BY JESSICA TIAHRT

With more than 600 mayors across the country pledging to reduce emissions in their cities and 30 states actively mandating carbon cuts, the U.S. Senate is moving forward with its own bill to impose federal carbon reduction requirements.

Climate change legislation introduced by Senators Joe Lieberman (D-CT) and John Warner (R-VA) has passed through the committee process and is expected to reach the floor for debate as early as next spring. The bill, "America's Climate Security Act", requires substantial CO2 reductions by 2020. In anticipation of federal action, electric cooperative leaders have been working with Congress, stressing the need for realistic goals that achieve reductions while maintaining affordable electricity rates for consumers. Unfortunately, the bill is structured in a way that poses significant economic hardships for co-ops and threatens electricity reliability.

Glenn English, NRECA's Chief Executive Officer, is expecting a long struggle. "This will be a very intense and multi-bill effort, and the energy bills we are dealing with now are a precursor to climate legislation we will see proposed over the next several years," he said.

Cooperative leaders say any climate change legislation must include funding for research and development, provide incentives to help utilities develop and deploy new technologies, and maintain fuel diversity to meet the nation's growing

energy needs. According to the Department of Energy, U.S. electricity demand will increase 40 percent by the year 2030.

As written, the Senate bill includes unrealistic reduction timelines and an auction scheme that would sell carbon emitting permits to the highest bidder. According to English, "[The bill] is overly aggressive. It will cost consumers more than necessary to achieve emissions reductions, and should include strong provisions to limit the bill's economic costs."

The U.S. House of Repre-

sentatives is also drafting a bill expected to emerge in early 2008. Electric co-ops will continue to urge Congress to develop responsible climate change legislation that keeps rates affordable.

English understands the gravity of the task before co-ops, but he remains optimistic, "We need to change the debate to include consumers' needs... and how best it can be done over the next 20-25 years... We have a great opportunity to help our members and our country." •

New General Managers continued from page 3

Chairman Gary Miller announced the appointment of Werner G. Buehler as OTEC's new Executive Vice President/General Manager. Buehler most recently served as General Manager of the Coos-Curry Electric Cooperative which serves approximately 17,000 meters on the

southern Oregon coast.

"Mr. Buehler's abilities and experience are significantly broad. He has an extensive management background in the electric utility business through assignments in six western states with three electric cooperatives, two investor owned utilities, one public utility district, and a

utility consulting/ power marketing firm." announced Miller.

OTEC, one of the largest electric cooperatives in the state of Oregon, serves and delivers power to approximately 30,000 meters in the eastern Oregon communities and surrounding areas of Burns, John Day, La Grande and Baker City. •



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