

POWER OF COMMUNITY UPDATE

Welcome to the first edition of *Salem Scoop* for 2007! *Salem Scoop* provides Power of Community (POC) members with updates on state legislation or policies that may impact electric cooperatives (co-op) in Oregon.

POC is sponsored by the Oregon Rural Electric Cooperative Association (ORECA), which works in Salem to keep power rates affordable and maintain local control. Local control means that *you* have the right to decide what is in the best interest of your electric co-op through your locally elected board of directors.

As the 74th Oregon Legislative Assembly convenes, protecting local control is the most important issue at the moment. ORECA anticipates needing your calls, emails and letters to legislators several times this session to protect local control. Look inside to learn more about the issues coming to the forefront.

POC is in its sixth year, with almost 6,000 households from 12 electric co-ops across Oregon taking part. Thank you for being a part of our award winning grassroots movement!



Oregon Rural Electric
Cooperative Association
707 13th Street SE, Suite 200
Salem, OR 97301



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WHAT'S HAPPENING AT THE STATE CAPITOL?

The 74th Oregon Legislative Assembly convened on Monday, January 8th, 2007. The legislature meets every other year on odd numbered years, for approximately six months. It is scheduled to adjourn on June 30th, 2007, but many insiders are speculating that session will go well into August. The Democrats, who hold a majority in both the State Senate and House, say they will adjourn on time, as they set out to prove that they can run the process better than Republicans have in the past. Time will tell.

A look at leadership's agenda...

For the first time in 16 years Democrats control the State Senate and House, and Democratic Leadership has come out with an aggressive agenda for the 2007 state session. Topping the list is education, as legislators grapple with what will get them the biggest bang for the buck in early childhood education. Also being considered is funding health care for uninsured children, increasing the number of state police, and what to do with the kicker. In the past both individuals and businesses in Oregon have seen rebate checks for surplus tax revenues. Now, it will be hotly debated whether we should or shouldn't keep the kicker.

And the Governor's...

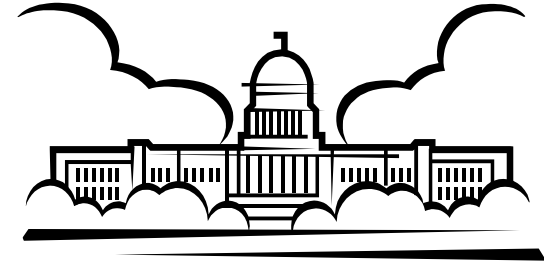
Another office also boasts a Democrat in the form of Governor Ted Kulongoski. His agenda includes wanting Oregon to have \$1 billion in its Rainy Day fund by the end of the budget cycle. Money would come from surplus tax revenues and a portion of the proceeds from the state lottery. This forced state savings plan is an effort to make up for lean years, when drastic cuts have to be made – usually in social programs – to balance the budget.

More on renewables



The Governor has another item on his agenda in the form of a renewable portfolio mandate for all utilities in the state. This would require all utilities to get a portion of their electricity from renewable energy sources. Ridiculous as it might seem, hydro, which makes up 80 percent of all electricity for co-ops, is not being considered as a renewable resource. As a result, electric co-ops would have to look at acquiring new, more expensive resources to meet this mandate. Currently, co-op members decide the make up of their power supply through their locally elected board members. ORECA

is particularly opposed to loss of local control should any kind of renewable portfolio mandate be passed.



Co-op Legislative Day!

February 7th and 8th of this year will find electric co-op managers and board members gathering in Salem to meet with legislators. Topping their list of concerns is loss of local control if a renewable portfolio mandate should pass this session. *Salem Scoop* will report back the results of this conference in its February edition, so stay tuned!

Get involved

Today Oregon's POC boasts 6,000 households! Thank you for your participation. Please contact your local electric co-op, or ORECA at oreca@oreca.org with any questions about what you read here. Happy New Year!