

## POWER OF COMMUNITY UPDATE

*Salem Scoop* continues to provide Power of Community (POC) members with updates on bills or policies that may impact electric cooperatives (co-ops) in Oregon. The Oregon Rural Electric Cooperative Association (ORECA) is working hard to make sure that electric co-ops are well represented this session.

How does ORECA determine whether to support or oppose a bill? The key is how any piece of legislation or policy being considered might impact “local control”, or add cost with no benefit. Local control is your right to determine what is in the best interest of your electric co-op through a locally elected board of directors.

Several bills would have electric co-ops regulated by the state, which ORECA opposes. Electric co-ops are able to provide affordable power because decisions impacting rates are made locally – not by state regulators. Look inside to learn more about the issues and ideas coming to the forefront.

Finally, thank you for being a part of our award winning grassroots movement. The success of electric co-ops is because of members like you who are involved in the issues and willing to help when asked.



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



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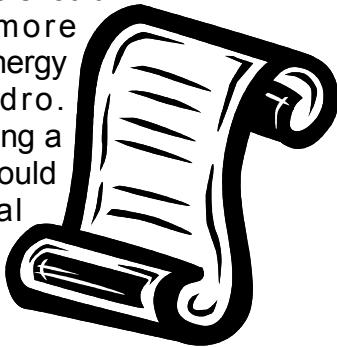
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# WHAT'S HAPPENING AT THE STATE CAPITOL?

## RPS Bill

Governor Ted Kulongoski's office is introducing a bill that would require all utilities to purchase a significant amount of energy from renewable sources other than hydro. It is clear that electric co-ops will be included in this Renewable Portfolio Standard (RPS) mandate. Renewable energy is more expensive than other sources, and ORECA believes that your locally elected board should decide when your cooperative should integrate more renewable energy beyond hydro. ORECA is drafting a bill that would protect local control for electric co-ops.

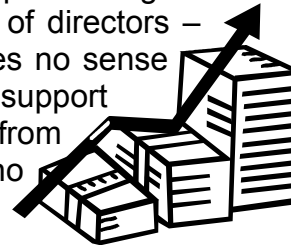


## Biofuels

Several bills about biofuels have been introduced with the intent of reducing green house gas emissions from vehicles. The two main fuel sources of biofuels are biodiesel (made from oilseed crops, used cooking oil and animal fats), and ethanol, which is distilled from corn. This relatively new industry could be an economic boost for rural areas, as well as the atmosphere. ORECA is watching these bills closely.

## New State Fees

A bill to help fund the state Public Utilities Commission (PUC) could mean higher rates for electric co-op consumers if it passes. The PUC's bill would require electric co-ops to pay two-tenths of one percent (.002%) of their gross revenue to the PUC for "safety inspections." This would be an additional \$100,000 per year for the PUC collected from co-op member electric rates. ORECA is actively opposing this bill. Electric co-ops are regulated by their local boards of directors – not the PUC. It makes no sense for electric co-ops to support a state agency from which it receives no direct benefit.



## A Rose is a Rose

A bill has been introduced (again) to provide financing for a new state-owned utility called Oregon Community Power. This new state public power utility would purchase the current Portland General Electric (PGE), currently a for-profit utility. In the past, it raised the question of where the new public power utility would purchase its power and how that might impact existing power supply for electric co-ops. PGE is once again an Oregon corporation, so this issue may receive little attention this session.

## Net Metering Nonsense

Net metering is the difference between the electricity someone uses and the amount they generate from a renewable generation project they own. The project is interconnected into a host utility's distribution grid, which allows the consumer's meter to run backwards. Previously, the legislature had approved net metering thresholds of 25 kilowatts or less. This bill would eliminate the threshold and force the utility to pay retail rates or higher to the generator. ORECA opposes this bill because it creates a subsidy among customers.

## E-mail Your E-mail

Power of Community is working hard to collect email addresses for our grassroots members. Email is the best way to keep you current on the progress being made with certain bills and legislative alerts. Please make sure that we have your correct email on file by sending your name and the name of your electric co-op to [oreca@oreca.org](mailto:oreca@oreca.org) Thank you for being a part of our great grassroots movement!

