

POWER OF COMMUNITY UPDATE

The Oregon State Legislative Session is inching its way to the finish line scheduled for June 30th. This has been the biggest energy session since legislators passed retail electricity deregulation in the late 1990s, reports the Oregon Rural Electric Cooperative Association (ORECA).

Sandy Flicker, ORECA's Executive Director and chief lobbyist, has spent a considerable amount of time working with the Senate Energy and Environment Committee to get the needs of electric cooperative (co-op) members met in Senate Bill (SB) 838. This is the infamous Renewable Energy Mandate bill that would require all utilities to purchase a certain portion of their electricity from more expensive renewable energy resources.

ORECA did make some progress in amending the bill to exempt small utilities that serve less than 1½ percent of state load. However it did not exempt all small utilities. Umatilla Electric Co-op and several other consumer-owned utilities would still be subject to a mandate. SB 838 still needs to be fixed. ORECA will be working very hard with the House Energy Committee to make the necessary changes to exempt ALL small utilities in Oregon from this costly mandate.

The primary goal of ORECA for this and any legislation is to maintain local control for electric co-ops in Oregon. Local control is your right to decide what is in the best interest of your electric co-op through your locally elected board of directors. ORECA has been working successfully to obtain exemptions for electric co-ops in bills being introduced that impact cost and operations for utilities.



Oregon Rural Electric
Cooperative Association
1750 Liberty St. SE
Salem, OR 97302



April 2007

Volume 3 Issue 4

Inside this edition:

- Sleep Well!
- Tax Collecting
- Tax Exempting
- Legislators might meet every year
- Helmets & Cell Phones Update
- Metals Theft

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WHAT'S HAPPENING AT THE STATE CAPITOL?

Sleep well!



House Bill (HB) 2052 was introduced at the request of the state Public Utility Commission (PUC). It would have required each electric co-op to pay 0.02% of their gross revenue to the PUC for safety inspections. ORECA successfully lobbied the bill to sleep. We say sleep because nothing is ever dead until the State Legislature adjourns.

Tax Collecting

HB 3080 would require electric co-ops to collect a mandatory low-income billing assistance tax at the same rate as the Investor Owned Utilities, which is approximately 30 cents per meter per month. ORECA is working with the Chair of the House Consumer Protection Committee, Representative Paul Holvey (D-Eugene), to modify the bill considerably.

Tax Exempting

HB 2793 is a bill requested by ORECA to exempt co-ops both in-state and out of state from paying an intangible tax on the 3rd AC intertie transmission line through Oregon. Several utilities from Washington were exempted from this tax

last session. It is only fair that other utilities being charged the same tax for the use of the line receive an appropriate exemption this session. ORECA is working with Representative Paul Holvey on this issue, as well.

Legislators Might Meet Every Year

The Oregon State Legislature passed a resolution that sets strict deadlines on legislative business and calls for a special one-month legislative session to be held in February of 2008. The resolution, SCR 1, passed the House with broad bipartisan support on a 46-11 vote.



The resolution expresses the Legislature's intent to call itself into a special session early in 2008. This temporary measure addresses the need for more frequent and predictable legislative sessions. It also allows the legislature to run an experiment with annual sessions before asking the voters to write such a provision into the state constitution. A permanent move to annual sessions would require a constitutional change approved by Oregon voters.

Speaker Jeff Merkley (D-Portland) said, "Our constitution was written at a time when Oregon had a population of 50,000

and a biennial budget of less than \$50,000, so this is a change we have to consider making." Oregon is one of only six states whose legislatures do not meet annually.

Helmets & Cell Phones Update

HB 2062, which mandated helmet usage for anyone operating a motorcycle or all terrain vehicle (ATV) does not appear to have support to pass this session. Co-op employees already wear OSHA approved hard hats.



SB 293 in its original form would have outlawed cell phone and two-way radio usage while driving. It has been modified to a new offense if someone is noticeably distracted by such usage while operating a motor vehicle.

Metals Theft

A priority bill for ORECA is HB 3026, which intends to deter metals theft from utility distribution systems and work yards. The metal is sold to scrap dealers for drug money. A coalition organized for this effort, of which ORECA is a part, reports that the bill is expected to be referred to committee for a public hearing in the next week. There is no organized opposition to the bill thus far, which is a good sign.