

## POWER OF COMMUNITY UPDATE

Welcome to the special 2008 session edition of *Salem Scoop*! This newsletter provides you as *Power of Community* members with updates on state and federal legislation, regulations or policies that impact electric cooperatives (co-ops) in Oregon. The *Power of Community* program is coordinated by the Oregon Rural Electric Cooperative Association (ORECA), which advocates for electric co-ops and their members.

A special three-week session was held in February as a trial run for the Oregon Legislature as it looks to change from biennial to annual legislative sessions. In 2009, the Legislature will consider referring a ballot measure to change the Oregon constitution to allow for annual sessions.

The Legislature was able to fund several of their key priorities despite the disappointing revenue forecast for 2008. This will leave a \$32 million ending fund balance, not the anticipated \$139 million.

The legislature considered over 100 bills during the special 3-week long session, over half of which passed. Even though the session adjourned Sine Die 5 days before it was scheduled to, many legislators thought the special session considered too many bills in too short a time to give each bill its due process. Though not many energy bills were introduced, there were a couple of bills discussed that will impact Oregon co-ops. Two of these passed and one failed. Read on inside for details about the bills that ORECA tracked through the special session.



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



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# WHAT HAPPENED AT THE STATE CAPITOL

To read the full text of any of the following measures please visit [www.leg.state.or.us/searchmeas](http://www.leg.state.or.us/searchmeas) and enter the bill number.

## Climate Change

The big energy bill this session was **House Bill 3610**, which would have required state agencies to start identifying, evaluating and reporting ways for the state to meet the climate change goals the Legislature established in 2007. It would also have mandated all electric co-ops report greenhouse gas emissions to the State Department of Environmental Quality. ORECA supports efforts to address climate change but has concerns about a bill which would impose a potentially costly mandate for co-ops.



All consumer-owned co-ops in Oregon purchase power from the Bonneville Power Administration (BPA). A mandate requiring individual co-ops to report and evaluate their power mix was unnecessary since BPA can provide this information. This bill did not pass in the short session but ORECA anticipates that it will return next year as part of a more comprehensive climate change proposal in the 2009 Legislative Session.

**HB 3612** will require state agencies to prepare an energy consumption analysis and

incorporate energy efficiency measures to achieve a 20-percent reduction in energy consumption by 2015. The bill passed with tremendous support and is awaiting the signature of the Governor.

## Green Businesses

More incentives will now be offered through the Business Energy Tax Credit program for biofuels and alternative energy following the expansion that the 2008 Legislature approved with **HB 3619**. They increased this tax credit



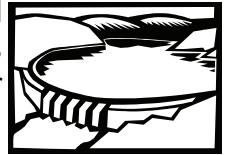
from \$3.5 million to \$10 million. These incentives will help grow the renewable energy industry, as well as provide business opportunities for Oregon citizens.

## Emergency Relief

Partly in response to the devastating December 2007 coastal flood - West Oregon Electric Cooperative in Vernonia was severely impacted - the Legislature passed several bills to address disaster relief. **HB 3626** would allow co-ops to access emergency funds in future disasters by establishing the Oregon Pre-Disaster Mitigation Fund and Oregon Disaster Response Fund as part of its 2008 Budget. **HB 3605 and 3606** will provide relief to citizens in a declared emergency by giving emergency insurance provisions and waiving the one week wait for unemployment benefits.

## Oasis Bill

The Legislature responded to the need for more water in Eastern Oregon with **Senate Bill 1069** by dedicating \$2.5 million to improving Oregon's water supply. Informally referred to as the "Oasis bill", **SB 1069** will include a recovery project that will study the aquifer in Umatilla. The bill passed during special session and was signed into law by Governor Kulongoski on March 5, 2008.



## Loss of the RPDC

By taking no funding action the Legislature abolished the Rural Policy Development Committee (RPDC). This was a committee of rural representatives chaired by Steve Eldridge, CEO of Umatilla Electric Co-op, and included rural legislators. The committee was established by Governor Kulongoski in 2004 to provide input to the Governor on issues of statewide concern. Providing no funds to staff the committee signaled the end for the RPDC. It is unfortunate the Governor and the Legislature did not recognize the value of input from rural representatives.

## E-mail v. Snail Mail

Please send your e-mail address, name and electric cooperative to [oreca@oreca.org](mailto:oreca@oreca.org) to help us be more effective, as well as save money on printing and postage, when we ask you to contact your legislators about an issue that would impact your co-op.