

Keeping Pace



April 2011

Oregon Rural Electric Cooperative Association

Volume 3, Issue 3

Important ORECA Dates

April 2

Douglas Electric Annual Meeting, Douglas Co. Fairgrounds

April 5-6

PNGC Board Meeting

April 7

PPC Executive Committee, Sheraton Inn Portland Airport

April 8

Central Electric Annual Meeting, Redmond, OR

April 11-13

RESMA, Arlington, VA

April 23

Umatilla Electric Annual Meeting, Hermiston, OR

April 30

Blachly-Lane Electric Annual Meeting, Junction City

May 2-5

NRECA Legislative Conference, D.C.

May 18

ORECA Board Meeting, ORECA headquarters, Salem



ACRE Chairman Rick Crinklaw accepted the award on behalf of Oregon's electric co-ops.

Oregon ACRE Wins Special Achievement Award at NRECA Annual Meeting

Oregon's electric cooperatives picked up another prestigious award for their ACRE efforts by claiming the ACRE Special Achievement Award for raising the most dollars per capita in 2010.

This award, given at the NRECA Annual Meeting in Orlando, comes after Oregon ACRE claimed the Region 9 ACRE Bigfoot Award at the regional meeting in Anchorage.

Oregon was able to win the award based on its strong showing in the President's Club, with 32 members contributing at the

\$500 level.

"ACRE is a critical and essential tool if we are to be successful political advocates in the legislative arena both at the state and national level," said ACRE Chairman **Rick Crinklaw**. "Clearly, Oregon co-op directors and employees recognize the importance of ACRE as evidenced by growing participation in the program. It truly was a privilege to accept the award on behalf of Oregon's co-ops. Now, our challenge is to not be a one-hit-wonder."

Wyden and Merkley Weigh in at FERC for Co-ops

Senators **Ron Wyden** and **Jeff Merkley**—along with 11 other western senators—recently sent a letter to FERC Chairman **Jon Wellinghoff** expressing concern with the commission's 100-Kv test defining the Bulk Electric System (BES).

The letter stated, "We continue to have concerns that the 100 kV definition will inappropriately regulate local distribution facilities." The letter went on to say the commission's 100 kV test will "impose significant and unnecessary compliance costs on many utilities operating in the West.

Despite the letter, FERC rejected a rehearing of the issue, warning of "unchecked regional discretion." **Ted Case**, executive director of ORECA, thanked the senators. "This is a major issue for cooperatives in Oregon," he said. "Our delegation has stepped forward to do the right thing. They should be commended."

Bud Tracy: A Man for All Reasons

By **Lisa Logie**

Blachly-Lane General Manager **Bud Tracy** has announced he will retire in 2011. For people who know Bud, they know he is the quiet voice at the back of the room. Bud is a man of few words. When he does speak, people listen.

Bud is also the most self-effacing guy you will ever know. As the first recipient of ORECA's Pioneer Award, Bud still doesn't believe he deserves the award and demurred that there were other more deserving people.

Bud started his career in 1967 working as a financial analyst for Raft River Electric Co-op in Idaho. He was promoted to assistant manager, which served as a training ground for his three decades as the general manager of Raft River and Blachly-Lane Electric cooperatives.



Continues on page 4

Power Perspectives

Guest Column



Angela Perez
Oregon Trail
Electric Cooperative

Gluts of wind power eating up cheap hydroelectric power. Cash strapped county governments scrambling for new revenue sources. Traditional extraction and natural resource economies collapsing. One billion dollars in tax breaks to green energy projects. Public outcry over smart meters.

These are the headlines greeting me as I arrived in the Pacific Northwest last fall. I had just left my job at Wake Electric Membership Corp. in Wake Forest, North Carolina, and driven to Baker City to work for Oregon Trail Electric (OTEC).

After a decade in the communications business and working for two electric co-ops in North Carolina, I rolled into Oregon confident that I knew absolutely everything about the electric utility business in the age of digital technology.

Oh, Angela-of-six-months-ago, how naïve and innocent you were. In other words, the co-op business up here ain't the same down South.

Let me digress. I moved to Baker City from Raleigh to work as the communications and government relations specialist for OTEC. There has been some major culture shock for me—and not just that I can't find any fried chicken, collard greens, hushpuppies, grits or sweet tea. There's snow and ice and nobody cares that much about Duke's basketball team—where I went to graduate school.

Some folks here in Baker City, in an effort to relate to my Southerness, have mentioned they love the movie, "You Might Be a Redneck If ..." I always assure them it isn't a film but is actually a stand-up routine by the comedian, Jeff Foxworthy ... and he is from Georgia. But you can't blame 'em for trying. "But do you know any redneck jokes?" To be obliging and because every Southern person DOES know redneck jokes, I usually come up with: "You might be a redneck if your mother has ever been arrested at a high school sporting event," and, "You might be a redneck if the Redman Chewing Tobacco Co. sends you a Christmas card every year."

And I just might be a redneck, because these jokes surely make me homesick.

Jokes aside, the major differences in the Southeast and

Northwest for me have been in the energy industry.

I come from coal country, where hydroelectric power makes up only 2 percent of the energy portfolio. North Carolina allows that 2 percent to count toward the renewable energy portfolio standard mandating electric co-ops get 10 percent of their electricity from renewable resources by 2020. The majority of power down South comes from coal-fired generation and most members are OK with that as long as power stays affordable. Imagine my surprise when I moved to Oregon and found that hydroelectric power is not considered a renewable energy source. How could this be scientifically possible?

There are no wind turbines in North Carolina. And electric co-ops there trumpet loud and clear to members that wind and solar power aren't consistent or reliable and are far too expensive: As stewards of affordability and reliability, well, folks, most renewable energy sources just don't cut it right now. Imagine my surprise the first time I drove down I-84 from Baker City to Portland and saw dozens of wind turbines up in the hills. I now understand that talking about expensive wind power is a political hot potato around here. As in, "don't go there."

With such major differences in how we do business, what do the 900+ electric cooperatives have in common? Even within Oregon, where there are vast differences between the East and West, what agendas do we share?

I figured it out a couple of weeks ago when I was in Orlando, Florida, at NRECA's Annual Meeting and TechAdvantage Conference, both held consecutively in the same week at the same convention center.

The first half of the week, during the annual meeting, the convention hall was filled with hundreds of board members from electric cooperatives across the United States. The majority in attendance seemed to be about 65 years and older. As I sat in the back of the massive meeting hall during the general session, I marveled at the beautiful sea of gray and white hair in front of me representing hundreds of years of combined electric cooperative experience and knowledge. Before me were dedicated members thoroughly steeped in the cooperative tradition of being a community partner

Continues on next page



For the Good of the Order

Perspective from the ORECA president

In the last issue of Keeping Pace, I lauded the co-op leaders who came to Salem and pounded the pavement around the state capitol for ORECA's Legislative Day.

For some co-op leaders, that event was a good warm-up for what's to come: NRECA's May Legislative Conference. This year, ORECA will lead another strong group back to Washington, D.C., for three days on Capitol Hill. This is our chance to be heard on the national stage at the advent of a new Congress.



For those who are attending, I know ORECA will prepare us for the meetings on such issues as reliability and cost-based rates. They will supply the briefing papers, but what ORECA wants out of us is shoe leather and our hometown connection with our elected officials.

So polish your shoes and get ready for Washington, D.C., I will see you at the U.S. Capitol.

—Roman Gillen

through community programs and generally keeping the lights on.

On Wednesday of that same week, BAM, all of the 20- and 30-somethings came running into the building in an excited rush to begin the TechAdvantage conference. Those IT, engineering and operations folks are tech enthusiasts who don't think of the co-op in the same way as the veterans. No less committed, they see the co-op in terms of a place where digital technology provides both members and the co-ops with a new world of efficient energy management options.

Their motto is, "Focus on the technology and members will be happy." They don't think of themselves as working just in an individual isolated co-op, but as part of a regional and national smart grid where ever-changing consumer demands, regulations and mandates will define how we do business.

Whether old-timer or young whipper-snapper, everyone at that meeting was there for one main purpose: to learn something new to bring back home for the benefit of our members.

During the week in Florida, I saw clearly that all cooperatives, from OTEC to Wake Electric, are facing a complete paradigm shift of this industry as we move into uncharted territory via technology and renewable energy generation. Energy-related bills and political agendas are formed every day. The marching orders handed down to the electric utilities are not so much logical as they are politicized and reactionary. That's where electric cooperatives come in.

If we are going to have a seat at the legislative table in this new energy era, we have to find common ground and work together. Our political participation is vital to cooperatives staying relevant in the 21st century.



Bills We are Watching

ORECA has testified on the following bills this session:

- HB 2900—abolishes the Oregon State Department of Energy
- HB 3507—doubles the Energy Supplier Assessment for Oregon, Inc.
- HB 2992—removes all restrictions on the use of hydro-power to qualify for renewable portfolio standard
- HB 2735—protects the Energy Supplier Assessment from being raided by other state agencies
- SB 167—protects the Energy Supplier Assessment from being raided by other state agencies
- SB 490—state mandate for uniform standard for tenant disconnects

ORECA is our contact point to do just that.

Through ORECA, we can demonstrate our power through the thousands of members we represent and through the dollars our cooperatives contribute to the ACRE program. That is how we will effectively carry out our mission and our charge to maintain reliable and affordable power in the midst of such mind-boggling change.

Long gone are the days when electric cooperatives could toil alone and in isolation. Whether you represent a co-op in the North, South, East or West, we are all here to keep electricity safe, reliable and affordable. Differences aren't so vast when you look at it that way, are they? Though, a nice hot bowl of buttered grits sure would help me along in the tasks at hand.

—Angela Perez

In the Arena

Highlighting your cooperative legislators

By Ted Case

Senator Chuck Thomsen

(R- District 26) is becoming popular with the scores of people who populate the Capitol each day. His formula is simple: work hard, study the issues and

have a bowl of his pears available each day in his office. "I'm the new guy, trying to meet everyone," he says.

He's accustomed to long meetings as a county commissioner, but the legislature has a new wrinkle: the daily procession of people who come by each day pitching



Sen. Chuck Thomsen

"I am excited to have Chuck representing us in the Senate!"

—Manager John Gertsenberger,
Hood River Electric Cooperative

their issues.

"I do a lot of asking," he says. "I have no motive other than doing the best for the state."

And for Thomsen what's best for the state right now is jobs and getting the budget under control.

When he is not in meetings or with constituents, he is a family man who maintains his pear business and an interest in golf. Not that he expects to play much in a legislature going full tilt until the end of June.

"Chuck Thomsen has earned my respect as a successful agri-businessman and effective county commissioner," says **John Gertsenberger**, Hood River Electric Cooperative Manager. "I believe he will be accessible and will have a genuine interest in issues that affect electric cooperatives and the rural lifestyle they support. I am excited to have Chuck representing us in the Senate!"

Bud Tracy *continued from cover*

In addition to **Golden Gardner** (his boss at Raft River), Bud cites **Logan Lanham**, vice president at Idaho Power, as a mentor. With Lanham, they teamed up to “make things happen” in the legislative arena and realized there was strength in having consumer-owned and investor-owned utilities work together. At Raft River, Bud negotiated part ownership in the Wanapum and Priest Rapids projects, and helped acquire service area of CP National in Nevada and Idaho.

Asked what his biggest miscalculation was, Bud answered WPPSS. He, and most everyone else in the region, was caught off guard by relying too heavily on BPA’s forecasts. The lessons learned from that time, including an aversion to building multiple large-scale projects, remain today.

Bud was lured to Blachly-Lane to help the co-op during a tumultuous period. During the job interview, Bud explained to the board that he is “probably the most conservative guy from the most conservative state in the nation.” The board liked what it saw and hired Bud for six months to help with the transition. Later, Bud was asked by the board to stay on permanently.

Bud has brought several new large industrial customers to the area which will double Blachly-Lane’s load. He also has worked on regional issues as a PNGC Board member. “Bud is a stalwart statesman with a strong measure of cowboy wisdom,” reflected **John Prescott**, PNGC’s CEO.

Last year, Bud was surprised when his board presented him with the Paul Vickery “Thinker” award. Bud’s quiet and modest demeanor impressed

Samantha Vickery, Paul’s widow. It was the first time she spoke about a recipient at an award ceremony. Samantha compared Bud to her late husband.

Bud has a “keen intellect, is a born leader, has a strong character and lives with integrity. Strength is greatest when it flows gently. He exemplifies what it means to be an honorable person,” said Samantha.

“Bud’s heart is bigger than his body and it beats for a lot of people,” said **Tom Irwin**, Blachly-Lane board president. “Bud is the pebble we throw in the water and see a big splash as it moves sand and leaves.”

The most often repeated words about Bud are “respect, courtesy and compassion.” With the walls and bookshelves in his office at Blachly-Lane lined with plaques and awards, it is easy to understand the respect that others have for this “gentle man.”

When Bud does retire, he plans to move back to his beloved Idaho with his wife and to live as a modest cattle rancher. There will be more time for riding horses and taking walks with his dogs.

“It’s hard to find a more dedicated keeper of the electric co-op flame,” said Ted Case, ORECA executive director. “He will be missed.”



Bud Tracy, pictured here with Samantha Vickery, was awarded the Paul Vickery “Thinker” award by his board in 2010.

Duly Noted



- ORECA thanks Umatilla Electric’s **Debi Watson** for her exemplary years of service. Debi retires on March 31.
- The E&O committee will meet in Portland on March 31.
- Douglas Electric’s **Dave Sabala** and **Ron Doan** of the Umpqua Indian Utility Cooperative are featured in the March issue of RE Magazine.
- **Bob Speckman**, Chairman of the ORECA 70th Anniversary Committee, seeks volunteers for the committee. If interested, please contact ORECA.
- The ORECA Annual Meeting will be at the Salem Convention Center in 2011.

Case in Point

The debate about energy efficiency and climate change is alive and well in the Oregon Legislature and Boones Ferry Primary School.

I found out about the latter when I attended the parent-teacher conference for my kindergarten daughter and looked through her worksheets. There I found a lesson on how using CFLs will help save the polar bear from extinction. (My daughter did well on the assignment, though she did color outside the lines.)



Electric cooperatives have been at the leading edge of conservation and efficiency for 30 years. We have a great story on climate change. Still, we need to tell our story—louder and more often—because I’m not sure we’re getting the credit for all of our efforts.

In the long run, perhaps our most important audience will not be legislators, but a 5-year-old with pigtailed and an interest in the polar region.

