

Keeping Pace

March/April 2010

Oregon Rural Electric Cooperative Association

Volume 2, Issue 3

April 14-16

RESMA,
Washington, D.C.

April 21

ORECA Strategic
Planning Session/
Board Meeting

April 24

Umatilla Electric
Annual Meeting,
Hermiston, OR

April 30-May 2

NRECA Board
Leadership
Retreat,
Arlington, VA

May 1

Harney Electric
Annual Meeting,
Orovada, NV

May 3-5

NRECA Legislative
Conference,
Washington, D.C.

May 5

NRU Board
Meeting,
Portland, OR

May 6

PPC Executive
Committee,
Sheraton Inn
Portland Airport

May 11 - 12

PNGC Board
Meeting,
Portland, OR

May 11

Salem Electric
Annual Meeting,
Salem

May 15

Oregon
Trail Electric
Cooperative
Annual Meeting,
La Grande, OR

Bill Would Create Jobs and Lower Energy Costs for Rural Communities

Oregon Senator **Jeff Merkley** has introduced legislation to create jobs and lower energy bills through energy savings.

“Oregon electric co-ops applaud Sen. Merkley for his proposal to encourage energy efficiency and create jobs in our rural communities,” said **Ted Case**, ORECA executive director. “Oregon electric cooperatives have a long history of providing efficiency programs for our consumers. Sen. Merkley’s bill is another innovative tool for our utilities to consider.”

Under Sen. Merkley’s proposal, co-ops will apply to the U.S. Department of Agriculture (USDA) Rural Utilities Service (RUS) to borrow money to fund local energy-efficiency programs that meet RUS energy savings standards. Co-ops, in turn, will use the money to make low-interest micro-loans to residents or small businesses that sign up for the voluntary program and have a demonstrated ability to pay back the loans. Electric cooperatives will pay back the federal loans from consumer loan payments on their electric bills within 10 years.



Sen. Jeff Merkley

Salem Electric Director Runs for Legislature

Challenging an incumbent is never easy, but Salem Electric Board Member **Jim Dyer** believes he “brings a more balanced perspective to issues and better understands the average person” than his opponent Rep. **Kim Thatcher**.

Jim hopes to unseat Thatcher as the Oregon House Representative from District 25 representing Keizer, St. Paul and Newberg.

“I believe that politics has become too polarized with an ‘us versus them’ mentality and we fail to ask is this good legislation,” said Dyer.

As a Salem Electric board member for 11 years, including serving as president, Dyer also has chaired NWPPA’s Government Relations Committee. He got started in politics by putting up yard signs for Sen. Peter Courtney.

Jim has been past president of the Oregon Public Employees Union, and worked for the Oregon State Employment Department and the Oregon Department of Human Services. From his time in state government, he has lobbied the legislature on numerous children’s issues. Jim is well known for his advocacy in passing a state law that doubles traffic fines in construction zones after losing his son in a highway construction accident.

“There is at least one traffic construction zone accident a year; if the law saves even one life it’s worth it,” said Dyer.



Jim Dyer

ORECA Hosts Events for Key Legislators

In late March, ORECA teamed with four Eastern Oregon co-ops to host fundraisers for two key rural members of the Oregon House: Rep. **Bob Jenson** (R-58) and Rep. **Greg Smith** (R-57). The two lawmakers have been strong supporters of electric cooperatives. Rep. Jenson’s event was held in Hermiston, with a large contingent of the Umatilla board members attending. Board members and representatives from each of Rep. Smith’s four electric co-ops—Columbia Basin, Columbia Power, Oregon Trail and Umatilla—attended the Smith event in Boardman. Both legislators are facing primary challenges in the May election.



Jerry Healy, Columbia Basin Electric Co-op, speaks at the event for Rep. Greg Smith.

Jobs Bill Includes Renewable Incentives for Electric Co-ops

Congress recently passed a jobs bill that has renewable incentives for electric cooperatives under the Build America Bonds program. **Sen. Ron Wyden** was a key player behind the program, which allows a cooperative issuer of Clean Renewable Energy Bonds (CREB) to receive a check directly from the U.S. Treasury to cover 70 percent of the interest cost on a qualified bond. The net present value is roughly equal to the 30-percent tax grant provided to for-profit entities for renewable projects. The provision will be available to co-ops that already received 2009 CREB allocations and co-ops that apply for a future round of roughly \$200 million that remains at the U.S. Treasury.

Baum to Chair PUC

Gov. Ted Kulongoski reached across party lines to name Republican **Ray Baum** chairman of the Oregon Public Utilities Commission. Baum succeeds Democrat **Lee Beyer** of Springfield, who left the commission to run for the Oregon Senate.

A former La Grande attorney and legislator, Baum was appointed to the three-member commission in 2003 and reappointed in 2007. Baum also served five years as a member of the Oregon Liquor Control Commission. Kulongoski announced the selection of **Susan Ackerman**, an attorney from Portland who has worked with Northwest Requirement Utilities (NRU), as the third member of the commission, joining fellow commissioner **John Savage**.

Marc Farmer Chairs Oregon HEAT

Marc Farmer, general manager of West Oregon Electric Cooperative, was appointed president of the 20-member Board of Directors of Oregon HEAT, which provides low-income energy assistance throughout Oregon.

Oregon HEAT coordinates resources to help low-income Oregonians achieve self-reliance through energy education and



Marc Farmer

advocacy. Oregon HEAT works with local organizations to determine eligibility and uses donated funds to help pay utility bills. Oregon HEAT received the highest organizational rating for the last five years.

Greg Howard Appointed to OTEC Board

Greg Howard has been appointed to the OTEC Board of Directors to fill the seat formerly held by **Stanley Weishaar**, who passed away in December. Howard is a production manager at Boise Cascade, OTEC's largest member. Howard's experience includes managing multimillion dollar budgets, large-scale operations, and labor and management issues. Howard has a bachelor's degree from Eastern Oregon University.

Keeping Us Strong—TriAxis

A continuing series profiling ORECA Associate Members

Since 1996, the professionals at TriAxis Engineering Inc. have worked with many electric cooperatives on a range of utility projects. **Gordon Ormsby**, a senior engineer at the company, says while business has its cycles, TriAxis has weathered the recession because "utilities are building again—their loads have outgrown their facilities." TriAxis also has found a niche in the renewable industry by working on wind and solar projects. Ormsby, an engineering school graduate of Penn State University, comes by his work with electric co-ops honestly. His father was a co-op lineman for 40 years in Pennsylvania.



Gordon Ormsby

When he is not designing rural transmission lines or spending time with his wife, Marion, Gordon can be found restoring old radios from the 1930s. Some of these radios end up on the auction block at ORECA's annual meeting—just one of the many ways our friends at TriAxis help keep ORECA strong.

In the Arena

Highlighting your cooperative legislators

Rep. Jean Cowan (D-10th District) is fresh off a special session that had a special meaning for her coastal constituents. She was able to help secure a Marine Mammal Institute with help from **Sen. Joanne Verger** and the Coastal Caucus.



Rep. Jean Cowan

This \$25 million project will bring construction jobs and jobs for facility and staff. House District 10 includes the

"Rep. Cowan's stock value continues to increase the more I have the opportunity to work issues with her!"

—Blachly-Lane Manager **Bud Tracy**

counties of Lincoln, Lane, Yamhill, Polk and Tillamook, and has a large senior and seasonal population. Consequently, Rep.

Cowan also focuses on senior care issues, such as long-term care and in-home care. She also is focused on the economy and the school system.

"Anything that brings in jobs and kids is a good thing," she said.

Cowan has been a supporter of what she calls the "representative democracy" at electric cooperatives and often can be found at Blachly-Lane's annual meetings.

"Rep. Cowan's stock value continues to increase the more I have the opportunity to work issues with her!" said Blachly-Lane Manager **Bud Tracy**.

View from the West

Perspective from the ORECA president



Doing IT Right

As one of the most epic legislative battles in my adult life closes, it is a time to reflect a bit on the value of working together. The value, if any, of working together is not always obvious, and more than a few question its value.

On one hand, it is often comforting to believe that no matter who runs the government, all views will be listened to, and to further believe that the direction of the government will ultimately be consensus based. The U.S. Senate, in particular, has by tradition and by its rules often been considered an example of a body that functions mostly on the consensus model. In this regard, in an observation that I attribute to former **Sen. Mark Hatfield**, it is said that “Not much happens around here, unless virtually all of the senators agree, at least privately.”

One theory is that the consensus model is useful to meld the best ideas of all parties into a useful course of action. The cynics call this a code word for collective stupidity—always willing to make easy decisions but never willing to make hard decisions that are sometimes needed.

We have probably all seen bipartisan sausage, which has plenty of grease for all to make sure it slides through, but which does little to solve the underlying problems. Indeed, more than a few people earnestly argue that the easiest way to identify legislation that is really horrible policy is to flag legislation that was supported strongly by both political parties. Examples of this kind of legislation include President Bush’s No Child Left Behind Act, cheered through Congress by **Sen. Ted Kennedy**. It purported to combine Republican concepts of strong accountability with liberal dogma that all students can be equally successful if the teacher just tries hard enough. Never mind that the only way to implement such an unholy combination to assure success, and avoid the draconian penalties for failure, is to dumb down the curricula so the least motivated and most challenged student in the school will appear to excel.

The reality is that if you stop the wagon train for every problem, it will fail to get over Donner Pass before the snow flies, and the end result will be worse than simply abandoning some stragglers along the way.

Meanwhile, we have just seen the alternative model at work with health care legislation. Democrats achieved control of the presidency and both houses of Congress by large majorities and decided to pull the



curtains, lock the doors, and put their heads down and ram a variant of socialized medicine through the Congress that only stopped to give due respect to sectors of the medical industry that had made sufficient political contributions and who offered support for their cause.

The problem, of course, is dictatorships are often quite efficient—my way or the highway—but at the risk of a gigantic train wreck if the decision is wrong. It’s very thoughtful to stop the wagon train for a week and treat everyone who is sick, but if the result is to delay the train until the snow flies in the Sierra Nevadas, it might not be such a bright idea after all.

We have rolled our eyes at the Republicans in the past for attempting to solve budget deficits by lowering taxes, and now we have the Democrats addressing the well-documented march of two major entitlement programs (Social Security and Medicare) into bankruptcy by passing a third one. It’s a small wonder that both major political parties are held in pretty low esteem at the moment.

The takeaway from all of this is less clear. Any methodology can produce bad results. If anything, I see it as an argument for smallness and diversity. Little mistakes are less threatening than megamistakes. The third rail of the cooperative movement has been to keep decisions small and close to the people. While this does not assure that the decisions will all be right—they won’t be—they won’t trigger a run on the dollar or knock the planet off its axis, either. It’s a good thing to see cooperatives working together, but we must never forget that our cooperatives are local people solving local problems, and that one size does not fit all.

Case in Point

Recently, I was asked to be one of three statewide managers to judge the best electric cooperative magazine in the country. It wasn’t so much because of my qualifications. Few of my colleagues wanted to read hundreds of magazines.

Three things I learned during the process: 1) My eyes will be blurry for the rest of my life. 2) There are some great co-op magazines out there. 3) I would stack Ruralite up against all of them.



The ultimate winner was Kentucky Living, a slick, glossy publication that you would never deign to roll up and use as a flyswatter, as I would with Newsweek. Yet the Ruralite feature stories, energy-saving information and local co-op news are competitive with the top magazines in the country. It’s a magazine I keep around my house. Co-ops should be proud of their role in offering their consumers a first class publication. Now excuse me as I hunt down this pesky fly. My Sports Illustrated can be a lethal weapon.