



A Touchstone Energy® Cooperative 

16755 Finley Butte Road  
P.O. Box 127  
La Pine, OR 97739

www.midstateelectric.coop  
info@midstateelectric.coop  
(541) 536-2126 • (800) 722-7219

#### Departments

Customer Service ..... Option 3  
Engineering ..... Option 4  
Marketing ..... Option 5  
Operations ..... Option 6

**After-Hours Outage and  
Emergencies: (541) 536-2165  
or (800) 752-5935**

#### OFFICE HOURS

Monday through Thursday  
7 a.m. to 5:30 p.m.  
Closed Fridays and holidays

#### BOARD OF DIRECTORS

##### President

Leland Smith, Sunriver

##### Vice President

Alan Parks, Fort Rock

##### Secretary/Treasurer

Diana Cox, Christmas Valley

Vic Russell, Fall River

Robert Reed, La Pine

Gordon DeArmond, Crescent

Ron Sommerfeldt, Gilchrist

Ken Wilson, Chemult

Bud Kendall, La Pine

Board meets the fourth Monday  
of each month at the co-op office.

#### STAFF

##### General Manager

Dave Schneider

##### Operations/Engineering Manager

Steve Hess

##### Marketing Manager

Teresa Lackey

##### CFO/Accounting Manager

Jami Bartunek

##### Information Services Manager

J.D. Powers

##### Attorney

Raymond Kindley

OR-23

## Manager's Message

Providing safe fish passage through the eight federal dams on the lower Columbia and Snake rivers is an important part of regional efforts to mitigate the impacts of dams on juvenile salmon and steelhead.

Surface passage systems are operating at all eight federal dams. Surface passage has reduced the percentage of fish that go through powerhouses (turbines), decreased fish travel time through the system and increased overall fish survival.

The juvenile survival performance standard target is 96 percent for yearling chinook and steelhead. The rigorous method for testing and satisfying the standard is reviewed by independent scientists and demonstrates that all eight dams are on track to meet performance standards.

Nevertheless, the state of Oregon filed a request for injunctive relief with the U.S. District Court seeking even more spring spill at the dams, which scientists fear can have negative effects on fish and increases electricity costs for Northwest ratepayers.

On January 8, U.S. District Judge Michael Simon adopted maximum spill at all eight federal dams. The spill is estimated to reduce hydro generation by about 815 average megawatts from April to June. This approach could cost the Bonneville Power Administration about \$80 million during fiscal years 2018 and 2019 in reduced revenues and/or increased power acquisition costs. This will be passed on to BPA consumers, including us.

This loss of hydroelectric generation is contrary to the state's carbon reduction goals. It will increase purchases of fossil-fuel power on the wholesale market, generating 840,000 tons of carbon—the equivalent of carbon produced by 179,000 passenger cars.

Ironically, during the legislative session

beginning this month, both the House and Senate are proposing bills to further reduce carbon by creating an Oregon cap-and-invest program similar to California's. In my opinion, it is a complex, contentious issue not suited for a 35-day session.

As a BPA customer—using close to 100 percent carbon-free hydroelectric power—this should not be a concern to Midstate Electric Cooperative. However, legislation of this nature can have far-reaching effects depending on the approach taken by the state government.

With assistance from the Oregon Rural Electric Cooperative Association and other organizations, MEC will be engaged throughout the 2018 session. We will advocate for outcomes that have neutral or beneficial effects on our members.

We may need to call on our political grassroots advocates to band together to contact elected officials to impact the political process. If you are not an ORECA-Action member, please join today. Go to [www.mse.coop](http://www.mse.coop) and click on the ORECA-Action button on the upper right of our home page, or call (541) 536-2126, option 5.

#### Board Districts Up for Election

Board districts 1 (Lazy River), 2 (South La Pine) and 8 (Christmas Valley) are up for election in 2018. Candidates to represent those districts may be nominated for director by filing a petition signed by at least 15 cooperative members residing in that district. Petitions for the three positions must be filed by Tuesday, March 13, 2018. Petitions are available at the cooperative office.

For more information, see page 8.

**General Manager Dave Schneider**