



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

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

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OR-23

Manager's Message

Dear Member:

The FY 2019 federal budget was recently released. Within the budget is a proposal that could have a significant impact on your electric rates. The proposal is to sell the power marketing administrations to the private sector and change the cost-based rates charged to market-based rates—a move opposed by the Northwest utility industry organizations and the region's congressional delegates.

The United States has four PMAs, including the Bonneville Power Administration. BPA was created to sell and deliver electricity from the federal Columbia River power system at cost to Northwest citizens. It operates 15,000 miles of transmission lines, and collects the costs of the transmission and power it provides via customer rates.

The PMAs annually review rates to ensure full cost recovery. The proposal contends it will level the playing field by requiring the PMAs to raise rates, but Northwest officials disagree. It is the Northwest's ratepayers who have paid to keep BPA's system going since the 1930s, and that's why BPA can offer power at cost. The misconception that the federal government gives us a special deal needs to be put to rest.

The Portland-based Public Power Council estimates the proposal could raise an extra \$5 billion to \$7 billion on the backs of Northwest electricity customers during the next 10 years without any added benefit. PPC says the proposals raise several concerns, including significant increased costs to Northwest residents and businesses; loss of regional control and value; potential for remote areas of the system to be

neglected, harming rural communities; and impacts on reliability of what is currently a complex and integrated system.

This proposal is just one part of a White House recommendation for a massive, complicated federal budget. The idea is not new. It first surfaced during the Ronald Reagan administration. It has resurfaced at different times since then under both Democratic and Republican administrations.

I am concerned it really might happen, and the Northwest will lose a reliable, low-cost power resource. These proposals need to be fought at every turn.

I applaud the Northwest congressional delegation in its bipartisan opposition to the proposal as a misguided approach that wrongly states the nature of the Northwest hydropower system and the BPA rates that pay for all of the cost of that system. I ask you to do the same.

Go to www.ORECA-Action.org, click the Join Us link and let the delegates know you appreciate their opposition and you, too, oppose the sale of the PMAs and market-based rates.

MEC's Annual Meeting

MEC's annual meeting is Saturday, May 12, at La Pine Middle School. Registration, health fair, displays and barbecue begin at 10 a.m., with the business meeting starting at noon.

Scholarship Applications Due May 7

MEC is offering seven \$2,500 scholarships for persons attending accredited colleges/technical schools. The application is on our website, www.mse.coop.

General Manager Dave Schneider