

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

Member 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

Dear Member:

I recently provided testimony on HB 2020, Oregon's carbon cap-and-trade bill. I thanked the Carbon Policy Office for working constructively with the Oregon Rural Electric Cooperative Association on provisions that impact the Bonneville Power Administration and with utilities such as Midstate Electric Cooperative that rely on the Federal Columbia River Power System.

As a result of these conversations, we believe there is a greater understanding of BPA, consumer-owned utilities and the role the federal hydropower system can play in helping Oregon meet its greenhouse gas targets.

I offered suggestions that can help improve the bill for Oregon's electric cooperatives. As the bill language is drafted, electric cooperatives that initially have emissions under a 25,000 metric ton threshold receive inequitable treatment if their emissions later exceed the 25,000 metric ton threshold because of economic development.

In fact, electric cooperatives that trigger the threshold after 2021 do not receive any allowances, creating potential rate shock for cooperative consumers.

We believe the committee should provide a safety net for those utilities that begin the program with exempted emissions but later grow to have emissions that exceed the threshold.

The increase in the cost of fuel because of this legislation is of great concern to rural electric cooperatives. The transportation sector creates the greatest amount of carbon emissions in the state, and a rise in gasoline prices could disproportionately affect rural

Oregonians who drive greater distances for work, health care and for all types of goods and services.

Another concern with HB 2020 for electric cooperatives is the direct impact to local industries because many of the state's energy-intensive trade exposed industries are in their service territories. The people who work in these industries are our members. We are concerned a cap-and-trade law could spur companies to shift production and employment to another state, harming our economy without benefit to the climate.

I will keep you updated on the status of this legislation as the session progresses, and call on you for help through our grassroots program ORECA-Action.org. Please remember that an electric co-op, at its heart, is a grassroots organization. Be a part of a proud heritage of local voices speaking up for co-op values and rural Oregon.

Scholarship Applications Due May 6

MEC's 2019 scholarship application is available at www.mse.coop. The final deadline for submitting the application and all required materials is Monday, May 6. Call 541-536-2126 option 5 for details.

MEC's Annual Meeting

MEC's 67th Annual Meeting of the Members is Saturday, May 11. Registration, health fair and barbecue lunch are from 10 a.m. to noon. The business meeting starts at noon.

Please note the new location is La Pine High School.

Dave Schneider General Manager