



A Touchstone Energy® Cooperative 

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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

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Vice President

Gordon DeArmond, Crescent

Secretary/Treasurer

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Ron Sommerfeldt, Gilchrist

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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:

Ted Case is executive director of the Oregon Rural Electric Cooperative Association. Ted spent 20 years in Washington, D.C., including stints as staff director of the House Water and Power Subcommittee. He has provided the following summary of the 2019 legislative session.

Capping Off a Wild Session

Cap-and-trade legislation (HB 2020) failed to pass in the state legislature, but the debate is far from over. Few bills received more attention during the last legislative session than HB 2020, which established a cap-and-trade program designed to put the state of Oregon on a glide path to reduce its carbon emissions.

As the session began, leaders of both the House and Senate—along with Gov. Kate Brown—made it clear that passing HB 2020 was a priority. The state sought to replicate a similar program to the one California put in place several years ago.

The cap on emissions is a firm limit that gets stricter over time. The trade part is a market for companies—such as utilities and manufacturers—to buy and sell allowances that let them emit only a certain amount as supply and demand set the price. It's a complicated program, and for Oregon's electric cooperatives, the issues are exceedingly complex.

The good news for Oregon electric cooperatives is our carbon emissions are relatively small because of our reliance on the emission-free hydropower from the Federal Columbia River Power System.

But there are other issues to consider.

What would a cap-and-trade program mean for family-wage manufacturing jobs that are so important to providing

economic opportunity in rural Oregon?

There is also the price at the pump.

Emissions from the transportation sector account for approximately 40% of the state's emissions. Under a cap-and-trade program, gasoline could increase immediately by an estimated 16 cents a gallon. This could harm rural Oregonians who often drive long distances for basic services such as health care.

Ultimately, concerns about how HB 2020 impacted electric utility rates, transportation costs and jobs in rural Oregon led to the bill's failure to pass the Oregon Senate. However, the debate over carbon policy continues. We will work with the Oregon Legislature and Gov. Brown on legislation that helps reduce carbon without economic dislocation.

Protect Electric Co-op Tax Status

There is legislation in the U.S. Congress, the Revitalizing Underdeveloped Rural Areas and Lands Act (RURAL Act, H.R. 2147 and S. 1032) that will correct an unintended consequence brought about by recent changes in the Internal Revenue Code that could jeopardize the tax-exempt status of your electric co-op.

If the law is not changed, electric cooperatives may have to choose between maintaining tax-exempt status or accepting Federal Emergency Management Agency assistance when recovering from a major storm or disaster.

Sen. Ron Wyden is well-positioned to help pass this legislation. Please visit our grassroots web page, www.ORECA-Action.org, and take action today to ask Sen. Wyden to support the RURAL Act and Oregon cooperatives.

General Manager Dave Schneider