



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

Dear Member:

On July 26, the Bonneville Power Administration released its final record of decision to set power and transmission rates for fiscal years 2018 and 2019. BPA is putting forward an average power rate increase of 5.4 percent and an average transmission rate decrease of 0.7 percent. The new rates are scheduled to go into effect October 1, 2017.

According to BPA, the overall power rate increase is driven by declining value of secondary sales due to low natural gas prices, increases to transmission costs, embedded program costs and declining loads. Transmission rates decreased slightly due to reductions in planned expense and capital spending, as well as continuing low interest rates.

The overall impact of BPA's setting of power and transmission rates will add more than \$600,000 to Midstate Electric Cooperative's cost of power. With this much of an increase from BPA, we will be forced to impose a member/consumer rate increase.

MEC's management is in the process of conducting a revenue requirements study to determine what the rates will need to be to cover the cost of power, and how to balance the variable and fixed components of the bills. Variable charges are billed on the basis of how much energy in kilowatt-hours is used each month and a portion of the facilities charge. Fixed charges are allocated evenly to each member through the monthly facilities charge.

Every service we use in our homes or businesses—whether it is electricity, cable/satellite television, natural gas, propane or telephone/cellphone—has

some form of a fixed monthly charge. For MEC member/consumers, this monthly charge is called a facilities charge. It is a fair share investment that reflects MEC's costs for electrical system maintenance and replacement, tree trimming, outage restoration, taxes, insurance, materials, fuels and administration of the utility.

MEC offers programs to help you better manage your electricity costs, such as free energy audits for homes and businesses, energy conservation tips, energy conservation rebates and payment options. For more information about the facilities charge or our energy management programs, please visit our website—www.mse.coop—or call (541) 536-2126.

Next month, we will let you know the amount of the member/consumer rate increase. As we work through this process, we are doing everything we can to lessen the effects of the BPA increase, while continuing to provide you with safe, affordable, reliable power.

Capital Credit Forfeiture Notice

Midstate Electric Cooperative gives notice that unclaimed capital credit payments have been available since December 4, 2009, at the office of the cooperative—16755 Finley Butte Road, P.O. Box 127, La Pine, OR 97739, (541) 536-2126 or (800) 722-7219—to the members listed on our website, www.mse.coop.

Unless the members named, or their heirs, claim payment no later than Monday, November 13, 2017, the capital credits for patronage dividends earned during 1991 through 1997 will be forfeited to the cooperative as permanent equity.

General Manager Dave Schneider