Oregon energy deregulation not like California's

■ Oregon's legislation won't require publicly owned utilities, such as EWEB, to venture into the wholesale market

By Lindsay Buchele

Oregon Daily Emerald

When compared with California's botched deregulation, which has left the state with rolling blackouts and outrageous electricity rates, it's easy to see why Oregonians would be worried about their own deregulation plan.

Oregon energy officials say, however, that Oregon's deregulation, set to begin Oct. 1, will be completely different than California's.

The deregulation legislation, Oregon Senate Bill 1149, was passed during the 1999 legislative session. The enactment is designed to give customers of investor-owned utilities, such as Portland General Electric and Pacifi-Corp, the option of entering the wholesale energy market. This does not include the publicly owned utility Eugene Water and Electric

Board, which is Eugene's energy provider.

The bill states that a customer of an investorowned utility will be given energy portfolios to choose from, one of which will allow a customer who has a 30 kilowatt-hour demand or more to enter the wholesale energy market. This would allow the customer to by-pass the utility and, in theory, possibly pay less for energy.

Bob Valdez, Oregon Public Utility Commission spokesman, said the deregulation is very different from California's deregulation, which forced customers into the deregulated market.

Senate Bill 1149 "only gives customers the option of entering into the wholesale market, and each customer has the option of staying with their current energy plan," Valdez said.

But Oregon's deregulation will not affect Oregon homeowners at all, except in very abstract circumstances, said Dick Varner, EWEB's fiscal services supervisor.

"No resident will have a 30 kilowatt-hour demand," Varner said. "Only some small and most

large businesses have that high of a demand."

The bill will have the biggest impact in Portland and Salem, which each have customers who are serviced by investor-owned utilities. The bill could directly affect Eugene only if EWEB decided to allow its customers the same options as the investor-owned utilities.

"The target is on large industrial customers that could potentially benefit from going to directly to the wholesale market," Valdez said.

Still, U.S. Rep. Peter DeFazio, D-Ore., plans to work toward repealing the bill.

"Even though the bill itself won't directly affect Eugene, the effects on the wholesale market from deregulation could effect Eugene," DeFazio said.

State Rep. Bob Ackerman, D-Eugene, who is working with DeFazio to repeal the deregulation bill, said deregulating the Oregon energy market will open it up to profiteering.

DeFazio and Ackerman's concerns about

deregulation stem from the inevitable energy price increases now hitting the Northwest. While EWEB has been putting off increases for as long as possible, the current drought, high demand for energy and California's deregulation have driven up prices on the wholesale energy market and caused the current energy crisis.

Valdez argues that deregulation will have no effect on the price of energy. He says increases are inevitable, and deregulation will only give customers more options.

"It's the supply-and-demand issue that is causing the price increase," Valdez said.

Mat Northway, EWEB's manager of Energy Management Services, said most customers won't want to enter the deregulated market anytime soon anyway because of the wholesale market's current conditions.

"When market prices go down, deregulation will be offering the option for customers to find lower prices," Northway said.

Secretary of Education pushes Bush's school plans

■ Roderick Paige stressed standards, accountability and assistance for parents during a keynote speech in Eugene

By Evan Cael and Carli Morgenstein for the Emerald

U.S. Secretary of Education Roderick Paige emphasized high standards for all students in a short keynote address Friday as part of the 34th annual Oregon Conference for Education.

About 400 educators and education supporters sat down to a three-course lunch at the Valley River Inn and listened intently to Paige, though he gave no opportunity for a question-and-answer session following his speech.

In his address, Paige explained the outline of President Bush's education plan, repeating Bush's motto, "No child left behind," throughout his speech. Bush's plan asks educators, as well as parents and children, to accept responsibility for the learning process of each child.

"This comes from the depths of a man's heart who really wants to make a difference in the lives of boys and girls," Paige said, referring to Bush. "And he needs your help."

Paige reinforced the issue of high standards for all. He said he feels strongly that each child has equal potential, and that it is unfair to categorize children by their backgrounds. Echoing the president, Paige said he thinks there should be an annual assessment of the educational institutions in the United States.

This assessment would highlight potential problems in education plans and help show what areas need attention, he said. Paige said he understands that there are many effective strategies, with the main one being accountability for results. He plans to provide assistance for parents to enable them to become active in the learning process.

To achieve the goals proposed by Bush, he said, educators will have to incorporate these tactics: raising student performance, improving teacher quality, providing safer learning environments, reducing bureaucracy and increasing funding flexibility for the nation's schools.

Bush has budgeted \$5 billion for his education plan. His proposal will provide the Education Department with a \$1.6 billion increase for elementary and secondary education, according to government reports found at www.ed.gov. This investment, the president maintains, will help provide muchneeded assistance for disadvantaged students who have been left behind too long.

The president has promised at least \$1 billion for reading programs and \$2.6 billion for states to improve teacher quality. An additional \$1 billion has also been promised in Pell Grants for disadvantaged students seeking financial assistance for higher education, according to the government site.

Paige concluded his speech with a challenge to all present. He asked each person to go out into the world and turn Bush's education plans into reality. He urged those gathered to find ways to help improve the education system in their own community.

Paige said he does not want these same concerns and questions being asked again 20 years from now.

"Now is the time to be bold — when the federal government is ready to invest," he said.

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