

Readers Lend Their Voices...

Letter to the Editor,

Happy Holidays!

The Vernonia Volunteer Ambulance Association would like to thank everyone for their continued support. This year we joined the Spirit Of Christmas with a Chili Cook off and Fundraiser. It was a HUGE success and we plan to hold it again next year. Thank you for your support during the 4th of July, Jamboree, Easter, Celebrating Families and other community functions.

We are recruiting new volunteers and have 2 people starting an Emergency Medical Technician class in 2013.

If you have any questions please email us at vernoniamwa@yahoo.com.

Thanks,
Vernonia Volunteer Ambulance Association

To the Editor,

Thank you to the stranger who paid for our coffee/breakfast at Black Bear on 12/14/2012. Unexpected but very appreciated!

Randy Carlton & Ryan Haynes
Metro West Ambulance/VVAA

To the Editor,

Recently, West Oregon's Board and management were presented with a list of inquiries from member Jack Phillips. Mr. Phillips says he represents a member group he calls Power-of-One ("Pwr/1"). WOEC's Board felt the information provided in response to the inquiries would be of interest to the membership as a whole. Accordingly, what follows is the full text of the questions and West Oregon's response. (Phillips' questions are in italics)

1. AUDIT: *Pwr/1 has asked for a performance audit outside of the required, annual audit obtained by WOEC. For many years, WOEC has had the highest electricity rate per KWH in Oregon. That is the reason for this request. Admittedly, major FEMA-type disasters have influenced these increased costs. However, the high costs prevailed before, during and after these disasters.*

The most direct, effective solution to the question of having the highest costs per KWH is to conduct an audit by a neutral, non affiliated, professional third party to produce a clear, transparent picture of what has occurred for all members to see. An audit of this type would show needed efficiencies or lay to rest member

concerns.

The Question: *What steps will WOEC take to provide an independent, outside performance audit as requested?*

1. Audit: WOEC already participates in annual independent industry surveys which provide data concerning almost every aspect of the organization and compares them with other utilities in the nation and state. Comparable data covers such areas as the number of employees, operations, finances, employee wage and benefit costs, vehicles and the like. This is conducted and provided for the Co-op annually by National Rural Utilities Cooperative Finance Corporation at no cost to the Co-op.

WOEC also participates in a proprietary, confidential comparison survey conducted by the Oregon Rural Electric Cooperative Association which allows us to compare our administrative costs as a management tool.

To bring in National Consulting Group, who specializes in conducting organization assessments for electric utilities, would cost the Co-op approximately \$21,000.

2. SOLAR: *Bonneville Power Administration is the current, single electricity provider for WOEC. By providing access to or providing for green alternative energy, WOEC could mitigate the problem of having BPA as its only source of energy. With this in mind, preliminary steps already taken are:*

- *Pwr/1 has asked WOEC to research green alternative energy and has referred Solar City, Inc. to WOEC to discuss installing Solar Energy for WOEC members*
- *WOEC Manager, Marc Farmer, recently visited Consumers Power Inc., in Corvallis, specifically to discuss Consumers' operational Solar Program, which has 108 participants.*
- *Marc has stated plans to engage PNGC (Pacific Northwest Generating Cooperative) members in a round-table discussion about alternative energy.*
- *It is acknowledged WOEC has a 1% interest in a Corvallis methane generation plant, a proposed wave energy project and a Eugene-based solar project.*

The Question: *What immediate steps will be taken by WOEC to provide detailed information on and access to energy generation from solar, wind and micro-hydro?*

2. Solar: There seem to be two separate premises to this question. The first

premise for this question is that access to or providing for green alternative energy mitigates "the problem of having BPA as [WOEC's] only source of energy. WOEC does not agree that its wholesale power requirements contract with BPA is a problem – rather, WOEC considers the contract one of its most valuable assets as a legal guarantee of access to the lowest cost, firm wholesale power supply. Since 100% of the power purchased from BPA is carbon free, the Co-op also achieves green power without added costs of building or purchasing power from higher cost, non-firm alternate sources. Currently 80% of the power from BPA is from hydro, 11% from nuclear, and 9% from wind and the market. Even with upcoming rate increases from BPA in October of 2013, the cost of wholesale power still remains at 3 to 8 times less than power from non-firm alternate sources which would only serve to dramatically increase costs to our members. For example, we have actual numbers for wind that is currently available to purchase which comes in at \$65 per megawatt hour with an additional cost of \$15 per megawatt hour to firm it up. These costs do not include the cost of transmission for the power. We have also received quoted prices for geothermal power currently priced at \$96 per megawatt hour this year, \$99 in 2013, and escalating in price at 6% per annually for several years before dropping to 1.33 percent in later years. These costs compared to what we currently pay all in at \$40.42 through 2014 are why we remain committed to providing the lowest cost power through BPA with the added benefit that it is carbon free.

The second premise is the assumption that WOEC is not currently actively involved in alternate green energy programs. WOEC has offered green power to its members to purchase in blocks for over 5 years. We have also been actively involved and promoted energy efficiency and conservation for over 30 years and continue to offer programs in conjunction with BPA and PNGC. The Co-op has paid over \$160,000 in energy conservation rebates to members of the utility, both residential and commercial, over the past 10 years. Some of these projects included a lighting upgrade for the Jewell school and a large weatherization project rebate for the Five Rock Ranch in Yamhill that provides transition housing and a retreat for women and children. The co-op is actively working with the Vernonia School District to provide energy efficiency rebates for the new building, and with the City of Vernonia for possibly upgrading the waste water pumping station.

WOEC has had a net metering policy since June of 2000 to work with its members who may want to install solar, wind, and other approved forms of generation as set forth in ORS 757.300. We recently revised the policy to make it even more beneficial to our members to participate. The Co-op currently has four

members who have installed residential solar projects and has good working relationships with them. Information is readily available from West Oregon, the internet and multiple sources for those members who might wish to participate in their own energy generation.

While some Oregon utilities have more robust programs, these utilities have much larger consumer bases, more dense populations, different demographics, and greater revenue margins. The programs they offer require the utility to subsidize the additional cost to the customer in order to provide a sustainable level of customer participation. WOEC does not have the financial ability to subsidize programs to this degree.

The area of concern WOEC has expressed that might be interpreted as being non-supportive of members doing their own energy generation is the reality that with our rate structure being predominantly on our kilowatt hour charge instead of our base charge, it poses challenges to cover our fixed costs. When there is a decrease in revenue from kilowatt hour usage, then the utility does not have enough funds to cover its fixed costs. If the rate was set like most other utilities such as cell phones, gas, water, sewer, telephones, etc, with fixed costs paid up front and then usage billed after, we would not have this challenge. It's not that we are not supportive of alternate generation, it is a simply a matter of covering our fixed costs with revenue.

3. BILLINGS: *WOEC presently provides a KWH Bar Graph showing total KWH's used for the billing month and for each of the last 12 billing months. This generates an incorrect energy use picture because each month is not 30 days long. Many utilities, in order to produce a more useful Bar Graph, calculate Average Daily KWH use. They divide the exact number of days, in a given month, into the total KWH's used. The Daily Average is then comparable to other months and allows members to effectively analyze and control energy costs.*

The Question: *What steps will WOEC take to change to Bar Graphs utilizing Average Daily KWH's used?*

3. Billings: In order to provide more useful information and offer online bill payment, WOEC is scheduled to install a system called Smart Hub Application by the end of second quarter 2013. This product was chosen after several years of research by WOEC. The system will enable us to provide convenient 24/7 web and mobile access to our members accounts. Members can then check their usage, pay bills, check Twitter feeds, report service information, allow customized inquiries, and contact the office online.

4. TREE TRIMMING: *By right of recorded easements, WOEC has legal access to member-owned properties for clearing the right of way under WOEC power lines. Actual*

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NORTHWEST TRAIL ALLIANCE

a chapter of
I M B A
INTERNATIONAL MOUNTAIN
BICYCLING ASSOCIATION

Join us for monthly "1st Saturdays" volunteer trail building events at L.L. Stub Stewart State Park.
We need your help constructing Cross Country/All-Mountain Bike trails!

January 5th
February 2nd
March 2nd
April 6th
May 4th

★ **2012/2013 Goal: Complete the construction of "Link Pin" switchback connector trail between North/South.**

A celebration event for volunteers will be hosted after we dig the final yards of trail to link these areas!

Go to NW-TRAIL.ORG for further details and to SIGN UP!

More interested in freeride trails instead? See westsidetrailfederation.org for events.

HOW TO SEND LETTERS TO THE EDITOR

Vernonia's Voice welcomes and requests your thoughts, opinions and ideas. Please include your name, address and phone number, limit your letters to 300 words or less. Vernonia's Voice reserves the right to edit, omit, respond or ask for a response to letters submitted. We will print letters space permitting. Deadline is the 1st and 3rd Monday of each month. Email: scott@vernoniasvoice.com or mail to: Letters, PO Box 55, Vernonia, OR 97064.