

Power of the People

By W. Marc Farmer,
General Manager
West Oregon Electric Cooperative



Before we get into Part 2 of our education into what makes

the cost of power what it is, let me first take a moment to acknowledge the departure and contributions of two people at West Oregon Electric Cooperative.

Tom Budge, who has served on the WOEC Board for 14 years without missing a meeting, has resigned to spend some time traveling with his wife. The Board has reluctantly accepted his resignation as Tom has been a tremendous asset to the Board, staff, and members of West Oregon. His thoughtful approach to problem solving, his integrity, and knowledge will be greatly missed. We hope you will take the time to thank Tom for representing the members in such an exemplary and professional manner.

Royce Hagelstein, our CFO, has resigned to accept a position at another utility after 8 years of service at West Oregon. Royce came in and did a tremendous job in getting the financial aspects of WOEC in order and helping us become a financially stronger and more efficient company. His efforts, knowledge, his integrity, and his accounting skills have been a valuable asset here and he leaves a big hole to fill.

We wish them both the very best and thank them for all they have contributed to the Co-op.

The good news is we have promoted Darlene McLeod to Office Manager. Darlene has been here for 22 years and will take over supervision of our front office and oversee the accounting department. I am confident that she will do an excellent job for us and congratulate her on her promotion. We will be hiring an Accountant to perform all of the accounting functions and will have an advertisement in the paper for this position.

On to Part 2 of our education process regarding what all

goes into the rates we charge for your power. The biggest cost comes from our wholesale power. This is what we are charged from BPA and PNGC for the power we use. Power costs are set by BPA and we pool with 14 other utilities to purchase a block of power through PNGC. BPA sets the rates based upon the amount of water over the dam to generate power, costs of power from other energy sources, their costs of providing power, transmission costs, and the ever changing costs of fish mitigation. BPA has the ability to change their rates, called a true up or CRAC adjustment, every six months. This makes it very difficult to set rates and build a budget not knowing if in April or October you may get hit with another increase in our wholesale power costs. The biggest increase came in 2001-2 when the increased our rates 46 percent in one year.

The most frustrating part of the bill is the amount that goes to fish mitigation. The amount of money BPA spends every year is approximately \$700 million and they have spent over \$7 billion over the last 20 years. How that affects you as a member is that over 25 percent of our monthly wholesale power bill each month goes for fish mitigation, related issues and projects with no end in sight. The BPA factors we have little or no control over, but we do the best we can through PNGC to influence them as much as possible. Next issue I will cover the expense, debt load, and costs factors.

Vandehey and Stevens engaged to marry on June 24

Erin Machell Vandehey of Banks and Eric Orville Stevens of Tualatin have announced their engagement. Their wedding is set for June 24.

The bride-to-be is the daughter of Pam and Barry

Vandehey of Banks. She graduated from Banks High School in 2002 and is currently employed as a certified nursing assistant at Tuality Healthcare Transportation Lab.

The groom-elect is the son

of Page and Debra Stevens of Tualatin. He graduated from Tualatin High School in 2003 and is employed in the family business, Stevens Marine Inc. Boat Fabrication.

YOU ARE THE CUSTOMER WHAT YOU SAY COUNTS

Please take a minute to fill out this survey. When finished either mail it back to the address below or drop it off in the steel water bill payment box in front of City Hall

1. What draws you to shop in Vernonia? eg: Live here/in area _____

Visiting _____ Recreation _____

2. Do you do the majority of your shopping in Vernonia? Yes ___ No ___

3. What business or service would you like to see in Vernonia in the future?

4. What improvements would you recommend to the area businesses:? eg:

Hours: _____

Customer Service _____

Store Appearance _____

Other _____

5. Is the downtown area attractive? Yes _____ No _____

Suggestions _____

6. Do you feel safe in the downtown area during the Day _____ Evening _____

7. Is there sufficient parking in the downtown area? Yes _____ No _____

Suggestions: _____

8. Please list any other suggestions you would like to see done in order to improve your shopping experience in Vernonia.

Thank you for taking the time to fill out this very important survey. Your comments are extremely important to us in order for our businesses to better serve you.

Vernonia Area Chamber of Commerce
1001 Bridge Street Vernonia, OR 97064



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\$4.50 for the first

10 words, then just

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additional word