

FOR IMMEDIATE RELEASE

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COOS-CURRY ELECTRIC COOPERATIVE, INC. BOARD OF DIRECTORS DISCUSS FUTURE POWER NEEDS AND THE TRANSMISSION LINE PROJECT AT REGULAR BOARD MEETING

Members of Coos-Curry Electric Cooperative, Inc. (CCEC) in attendance heard Interim General Manager/CEO Roger Meader discuss the recent 9th Circuit Court decision that will require the Bonneville Power Administration (BPA) to refund money to public power entities that had been paid to private utilities under a clause in the Northwest Power Act called “the Residential Exchange.” In this arrangement, electricity marketed through the BPA that was shared with public power utilities throughout the region was also shared with private or investor-owned utilities to be passed along to their residential and small farm electric consumers.

The 9th Circuit Court determined that all money paid to the investor-owned utilities since 2001 was to be given back to public power entities. “While this may seem like a win for public power, in reality it isn’t over yet and may be an interesting political ride,” Meader told the board of directors and audience. “Public power and the investor-owned utilities need to sit down and work things out for the benefit of all electric consumers in the region.” Meader went on to say that this decision will most likely delay the decision BPA will make regarding rates and contract arrangements beyond 2011 when the existing BPA contracts expire. “We know BPA will allocate the federal hydropower system in the new contracts, and we will maximize our use of that system,” Meader pointed out. “But, any new load growth we have will be at a different rate and we will be required to acquire more renewable energy as well. The days of cheap power are gone and there’s nothing out there like the federal hydropower system we have today.” BPA had huge rate increases about 5 years ago that were passed on to electric consumers such as CCEC members. “We’ll be looking at 6 to 9 cents a kilowatt hour in

the future.” Meader stressed the importance of focusing time and staff on this issue because the cooperative will have a very short time frame to complete the analysis and make these critical decisions that will affect members for decades to come.

Meader then turned focus to the transmission line project, informing the board of directors that he had read and studied all the information available, met with Borax representatives and toured about 30 percent of the T-1 transmission line. Through pictures taken during his day-long tour of the transmission line, Meader discussed construction standards, potential problems and the condition of the poles and wires. “I’ve read a lot of incorrect information in the newspapers,” Meader said. “This existing line was built to handle a medium load, exactly to the construction plan we had in place at the time. Meader pointed out incidents where our construction and repair work over the years has resulted in inconsistencies when compared to standard utility practices. Pictures of the portion of the transmission line that has been upgraded were shown for comparison. Meader stressed the need for an economic analysis to assess tree-trimming costs, future maintenance, life of steel towers, reliability, and right-of-way issues. “This is a lot to look at and is not a simple issue,” Meader cautioned. “It is not something you can study for 2 weeks and decide. We should be ready to move forward in a month or two.”

In other action, the board of directors made changes to several policies, including the policy related to board member compensation. The amount of compensation received by board members for out of town meetings or board meetings held in addition to the regular board meetings was reduced from \$200 per meeting to \$100. Compensation for meetings held by telephone was reduced from \$100 to \$50 per call.

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About Coos-Curry Electric Cooperative, Inc.

Coos-Curry Electric Cooperative, Inc. (CCEC) was founded in 1939 by a group of Coos County, Oregon, residents who wanted central-station electricity in their area. Today, the nonprofit cooperative has more than 14,000 members 17,000 meters in Coos, Curry, and Douglas Counties, and more than 1,500 miles of line, including almost 53 miles of transmission line, between Gold Beach and Brookings. CCEC serves the rural populations east and south of Coos Bay in Coos County and all of Curry County except for the town of Langlois. Headquartered in Port Orford, Oregon, CCEC has area business offices in Port Orford, Coquille, Gold Beach and Brookings.