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Viewpoint



By Dave Wheelihan, CEO,
Montana Electric
Cooperatives' Association

Many bills could impact electric cooperatives

As of press time, the Montana Legislature is nearing the halfway point of its biennial session. For a session that was to be dominated by education issues, there has certainly been no shortage of bills that impact the electric industry. From net metering issues to renewable energy portfolio standards to revisions to the Universal Systems Benefit Program, we've been busy keeping tabs on the various bills and evaluating how they might affect electric cooperative members.

In making our determinations on whether or not to support the various pieces of legislation, we take into consideration what the bill does to our everyday cooperative utility operations. For example, does it help us be more efficient or does it add complexity? We also look at cost to our members as they have made it clear to us that keeping their power bills down is an extremely important consideration. Further, we look at the bills from a public policy perspective and

see if they are consistent with cooperative principles under which we operate.

Obviously, what constitutes good public policy is highly subjective in nature and we've opposed bills that others have stood before the committee members and said are good public policy. When we apply our principles of cost/benefit, complexity and our view of public policy, its understandable that reasonable people can disagree. The end goal of others in the debate may not be the same as ours.

A good example of this would be revisions to the Universal Systems Benefit Program. Established in 1997, utilities are required under this law to fund low income energy bill assistance and weatherization programs, conservation programs, including renewables. Since that time, there has been a constant debate over adequacy of funding and what should count towards the obligation as defined by law and rule. We've consistently taken the position that many of the goals of the program are fine and that we have made good on our 1997 commitment plus more.

What we do oppose is legislation that raises our obligation to the point where we have to raise rates. To us, it doesn't make sense to raise power bills to help people pay power bills. Others wishing to increase the funding levels point out that some of the proposed increases will result in minimal increases in power bills for a good cause. Again, the subjective nature of the issue is apparent. We have to look at these proposals in the context of all the bills that are out there that could raise rates. Additionally, we have to look at what's happening on the federal level and whether or not congressional action will affect our rates. It is the cumulative effect of proposals that can harm us the most, a piece here and a piece there all add up.

Many of these bills that relate to the way we do business are still in play. We'll continue to look after the best interests of the members we serve while we are involved in the public policy debate.

About our cover: *The Spa at Golden Ration in a beautiful setting in the Paradise Valley south of Livingston beckons people to come and relax. See the story on page 8.*