PNGC Power Board of Directors Passes Resolution Supporting Hydropower

Dams and hydro system provide critical source of clean, renewable, reliable energy

Portland, Oregon - 08/08/2007 - Today the Board of Directors of PNGC Power passed a resolution strongly supporting the clean, renewable hydro system in the Northwest and opposing further changes in hydro system facilities or operations that are not both based on the best available science and are cost-efficient. Portland-based PNGC Power and its 15 Northwest electric distribution cooperative utilities have service territory in seven western states.

According to Dee Reynolds, Chairman of the PNGC Power Board and General Manager of Fall River Rural Electric Cooperative, Inc., Ashton, Idaho, "The rivers of the Columbia Basin and the hydroelectric generation facilities of the Federal Columbia River Power System and Pacific Northwest regional utilities provide multiple benefits to the Northwest's economy, including energy production, irrigation, flood control, trade, fishing and habitat for fish and wildlife."

"Electricity generated by the hydropower system is clean, renewable and supplies over twothirds of our region's current energy needs," said John Prescott, President and CEO, PNGC Power. "As the regional demand for electricity continues to grow it is important to retain the environmental and economic benefits afforded by the existing hydropower system for future generations."

Any losses in hydro system capacity and energy will necessarily result in the development of more fossil-fueled generation, with their attendant environmental concerns and high mitigation costs. Several Northwest salmon and steelhead species are listed under the Endangered Species Act and require that a comprehensive approach be taken to protect them, which includes addressing commercial and sport harvest practices, habitat conservation and restoration, and hatchery operations improvements in addition to hydro system facilities, operations and bypass improvements. Northwest electric utility customers and hydro system operators have made very significant investments in hydro system facilities, operations and bypass improvements and borne large direct and economic opportunity costs in order to benefit fish and wildlife, and have contributed greatly to increases in salmon and steelhead survival. Salmon and steelhead runs vary widely from year-to-year (between 2001 and 2004 some of the highest salmon runs in history occurred) and are heavily affected by ocean conditions. Representatives of the Northwest's many interests affected by salmon and steelhead welfare, including state and federal agencies and Indian tribes, are engaged in collaborative discussions to develop a new Biological Opinion under the ESA to protect listed salmon and steelhead stocks.

PNGC Power members include: Blachly-Lane Electric Cooperative; Central Electric Cooperative, Inc.; Clearwater Power Company; Consumers Power Inc.; Coos-Curry Electric Cooperative, Inc.; Douglas Electric Cooperative; Fall River Rural Electric Cooperative, Inc.;

Lane Electric Cooperative; Lost River Electric Cooperative; Northern Lights, Inc.; Okanogan County Electric Cooperative, Inc.; Raft River Rural Electric Cooperative, Inc.; Salmon River Electric Cooperative, Inc.; Umatilla Electric Cooperative; and, West Oregon Electric Cooperative, Inc. Each is a customer of the U. S. Department of Energy and Bonneville Power Administration under long-term power purchase and transmission service agreements.

About PNGC Power

PNGC Power is a Portland-based electric power services cooperative owned by 15 Northwest electric distribution cooperative utilities with service territory in seven western states. The company creates value for its member systems by providing sophisticated power management, technical innovation and cutting edge customer services and products. PNGC Power is a top aggregator of geographically diverse loads in the region and became the first electric cooperative in the country to receive a power marketing license from the Federal Energy Regulatory Commission. More information about PNGC Power can be found at www.pngcpower.com.