

PNGC Power Pulse

April 2018

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Legislative Rally 2018

Each year, NRECA invites cooperative grassroots advocates to Washington, D.C. for the national trade association's annual Legislative Conference. This is a chance for directors, managers, and employees of member-owned electric cooperatives to come from across the country to spend time on Capitol Hill talking with elected officials and congressional staff about legislative priorities impacting electric cooperatives and their members. It is truly NRECA's grassroots strength that allows the co-op program to "punch above its political weight" in our nation's capital.

This year Beth Looney, PNGC Power President and CEO, and Ashley Slater, PNGC Power Vice President of Government Affairs and Policy, went to the April 8-10 rally, which was attended by 2,200 other cooperative advocates from across the country. Ashley and Beth used the two days to run between buildings trying to meet with as many offices as possible. "PNGC has service territory in seven states, so it's both fun and challenging to get a chance to meet with everyone's congressional delegations," Slater said.



Beth Looney and Ashley Slater

Looney and Slater used the Capitol Hill meetings as an opportunity to advocate for PNGC's member owners on a variety of federal policy issues related to the maintenance of reliable, low-cost, carbon free energy. This year was particularly exciting as PNGC staff successfully elevated a Northwest issue to national prominence. This year because of the significant groundwork laid by PNGC's government affairs and policy staff, NRECA agreed to include H.R. 3144 as one of only a handful of legislative priorities for the nationwide electric cooperative advocacy effort. Activating NRECA's grassroots in support of a regionally-focused legislative effort was a great boon for PNGC. It raised PNGC's national profile within the co-op program and puts the company front and center in the effort to protect a federal hydropower resource that has served as the region's economic backbone since the 1930s. H.R. 3144 is a federal science-backed legislative fix to forced spill at the federal dams, and a remedy that

"Grassroots advocacy is what we are all about...that's our real muscle"



PNGC has been driving to combat court-ordered spill that is harmful to both utility ratepayers and Endangered Species Act salmon species. Slater tells the story of watching H.R. 3144 getting marked-up in the House Natural Resources Committee. "In fact, the Committee rearranged the schedule in order to mark-up H.R. 3144 when they did, to take advantage of the 2,200 rural electric cooperative advocates that were in Washington D.C. right then," Slater said. "We packed the hearing room and cheered when the bill passed out of Committee on a bi-partisan vote. It was pretty remarkable to see the cooperative grassroots in action."

Watching the progression of H.R. 3144 and its journey through the legislative process has also been remarkable, Slater went on. "Going from Beth's testimony in October 2017 to this vote in the House Natural Resources Committee demonstrates PNGC's political influence, strong relationships, and deep policy knowledge."

PNGC will continue to follow H.R. 3144 as well as our other legislative priorities. "Grassroots advocacy is what we are all about," Beth Looney said. "That's our real muscle."

Spill and H.R. 3144: What Now?

On April 2, The Ninth Circuit Court of Appeals panel decided in favor of additional spill for the Federal Columbia River Power System. This decision, which undercuts the best available federal science, creates a new multi-million dollar obligation for Northwest ratepayers, on top of the Fish and Wildlife mitigation program already in place, which currently accounts for about 1/3 of Bonneville Power Administration's (BPA) rates.

BPA issued a statement in response, "...we at BPA are committed to delivering on our vast public responsibilities through a commercially successful business. We are analyzing the full impacts of this court decision and we will make more information available in the coming weeks."

As you know, we have been following this story, and on April 11, H.R. 3144 passed out of the House Natural Resources Committee (reported above), which means that it may get a stand-alone vote on the House of Representatives floor. It may still be a long shot, and the opposition is ready to list reasons why this bill shouldn't pass. However, as our own Ashley Slater stated, "Let's prove them wrong; H.R. 3144 is pro-environment, protecting our largest source of carbon-free energy. It is for rural Americans who can no longer sustain double digit wholesale rate increases, not to mention 20 more years of litigation driven uncertainty. And, most importantly, it is to prove that dams and salmon can co-exist."

The battle is not over and we will continue to work with others in public power to shape and influence this conversation.

Employee Spotlight: Greg Mendonca

Greg Mendonca is PNGC Power's Vice President of Power Supply, and has been a part of the team for years. Starting in 2006 Greg has been a Real Time Trader (when PNGC had a 24 hour trading floor), a Resource Analyst, as well as the Manager of Term Planning, and the Manager of Resource Planning.

In his role as Vice President of Power Supply, Greg works on the Members' behalf on a variety of issues including the development of the integrated resource plan, current rate case issues, power purchase planning, new resource investigation, BPA issues, and so much more. "I wear many hats at PNGC, but that's because we deal with so many moving pieces," Greg said. "The power industry is constantly changing, and it's our mission to stay ahead of the curve by being informed and involved in power policy discussions and our future as a cooperative."

Greg came to PNGC with a wealth of education, obtaining his Bachelor of Arts in Accounting, as well as a Master of Business Administration, from Oregon State University. Recently, Greg completed an intensive program in electric utility management with the University of Wisconsin – Madison. The Robert I. Kabat Management Internship Program (known as MIP) is a series of educational workshops offered by the National Rural Electric Cooperative Association in conjunction with the University. The most exclusive educational programs in the nation for electric cooperative management, the program guides participants through all facets of the electric utility industry, including the many changes in the industry that are on the horizon. "The program was intense, but it really highlighted focusing on providing Member value as a part of day-to-day decision making," Greg said. "Well worth it!"

Greg lives in Portland with his wife, Jess, and their two young children, Cora and Miles.

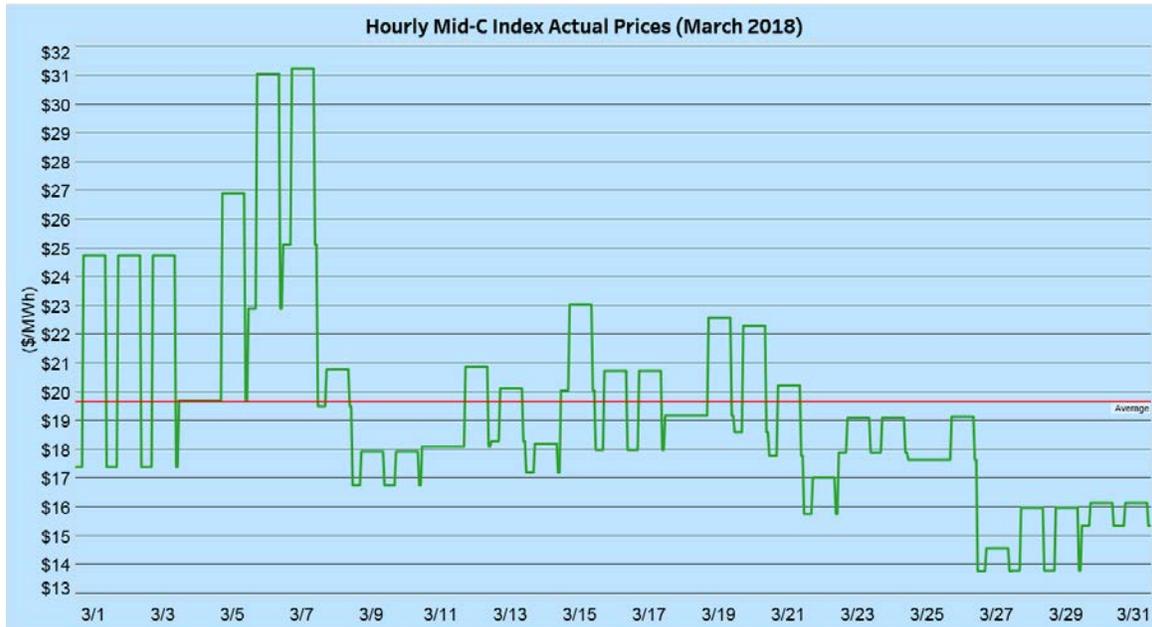


Above: Greg receives his certificate of completion of the Robert I. Kabat Management Internship Program.

Below: Greg, his wife Jess, and their two children

Mid-C Pricing

The graph below shows Mid-C Pricing for the month of March 2018



Upcoming PNGC Events

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|------------------------|--|
| April 21 | Blachly-Lane Annual Meeting |
| April 21 | Umatilla Electric Annual Meeting |
| April 21 | OPALCO Annual Meeting |
| April 30 | Board Training with Tom Traynor (PNGC Offices) |
| May 1 | PNGC Board Meeting (PNGC Offices) |
| May (3, 8, 10, 15, 17) | Lane Electric Annual Meetings |
| May 12 | Northern Lights Annual Meeting |
| May 21-23 | NWPPA Annual Meeting (Boise, ID) |



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About PNGC Power

PNGC Power is a Portland-based electric generation and transmission (G & T) cooperative owned by 15 Northwest electric distribution cooperative utilities with service territory in seven western states (Oregon, Washington, Idaho, Montana, Utah, Nevada and Wyoming). The company creates value for its member systems by providing power supply, transmission, and other management services. PNGC Power is an aggregator of geographically diverse loads in the region.