

NEWS

FOR IMMEDIATE RELEASE

FOR ADDITIONAL INFORMATION
PLEASE CONTACT:

Summer Fredrickson (801) 596-2100

LOCAL POWER COOPERATIVE RESPONDS TO PROPOSED CLIMATE CHANGE LEGISLATION

ELY, NV — Recently there has been a lot of talk surrounding the American Clean Energy and Security Act, especially now that it has passed the U.S. House of Representatives (June 26, 2009). What will this new piece of climate change legislation mean to residents of rural towns if it now passes through the senate? How will it impact resident's utility bills? And what is being done to insure this new piece of legislation is about reducing greenhouse emissions and not about revenue generation?

Mt. Wheeler Power's Member Services Manager, Kevin Robison, responds in depth to questions regarding the impending climate change legislation, their efforts to make local cooperatives concerns heard and what the general public can do to get involved.

Question: What roll has Mt. Wheeler Power been playing in the fight for affordable climate change legislation?

Kevin Robison: Mt. Wheeler Power has been very active in making sure our members are aware of the contents of the [American Clean Energy and Security Act of 2009 Bill, created by the Committee on Energy and Commerce chairman Henry Waxman (D-CA) and Representative Ed Markey (D-MA] bill. We are opposed to the cost increases that are going to come out of this legislation if it passes. In addition there is really no focus on what the general problem is, or at least the perceived problem, and that's carbon emissions. It's strictly a

revenue generator and legislators have admitted to that. It's over a trillion-dollar revenue generator with really no action to reduce carbon. There are percentages in there, don't get me wrong. They've got benchmarks. They've got goals. However, no true path on how to get to the goals and benchmarks in a fair manner.

Question: How have you personally, along with Mt. Wheeler Power been collaborating with other cooperatives as well as the National Rural Electric Cooperative Association?

Kevin Robison: In May, we took our voice back to Washington DC during the legislative rally. We met as statewide groups and the national organization took our message of affordability, generation capacity, and about "green" technology not being available, up to Capitol Hill. That's been the focus of our message for the last 2 years. Talking to the congressional delegation and staying focused on those topics, asking them to come back with language and some type of answer to how we are going to talk to their constituents about this. We've taken that same message from the national organization to the statewide organization to keep it consistent.

Question: What work has Mt. Wheeler Power done to gain support from community officials?

Kevin Robison: Mt. Wheeler Power has talked with city councils about what to expect if this legislation goes through. We have spoken with the County Commissions in both White Pine and Eureka Counties here in NV, as well as the City Council here in Ely. Each one of those organizations, respectively, has offered Mt. Wheeler Power a letter of endorsement showing their support of our stance. The state of Utah and the county we service in Utah are pretty well on board too.

Congressman Jim Matheson (D) sits on the Energy and Commerce committee. He took a pretty monumental stand by voting against the Waxman-Markey bill. He went against the party he represents, but represented his constituents very well. When looking at the amount of coal generation in the state of Utah, he sees the financial impact and frankly asked a lot of good questions in the testimonies that took place prior to putting the bill to the floor. The reasons he voted no, I think you have to say, were because of his constituents and because he didn't receive answers to the questions he asked.

Question: I read that during the question and answer portion before the House of Representatives met, a lot of good questions were not addressed, more just scooted around.

Kevin Robison: That really is our big concern. We are not battling over science at this point. There is pretty much a consensus, at least within the congressional delegation majority party, the science regarding climate change is in. Our argument is affordability, what do you do for power generation, and the true research and technology behind it. That's our primary focus and the largest issue, of course, is affordability.

Question: Congress did revise the bill once; from my standpoint it feels like it was due to the work that the cooperatives collectively put in together. Do you feel that way?

Kevin Robison: I do. The Our Energy, Our Future campaign really bombarded the delegation in Washington DC with emails asking questions about those three topics. We really believe our voice was heard. I don't think, at least I am not aware of, the IOU's [Independently Owned Utilities] were taking the same stance with their customer base.

The cooperative business model is not about profit – it's about affordability and quality of service. When issues arise that are going to impact our members in a large degree with no control within the local distribution cooperative, we have to take it to that level. There is no way our board, our management team or the employees can stand by and let that happen without a fight. For investor owned utilities, it's strictly a pasture piece; it's still a profit mechanism. They provide a great service to the communities they serve, but the whole business philosophy is just different.

Question: Could you tell me a little more about when you went to Capitol Hill for the legislative rally?

Kevin Robison: Each statewide association takes their respective group and visits their congressional representatives within their particular state. We take the same talking points — NRECA [National Rural Electric Cooperative Association] develops a brochure with a message that they would like us to carry to each delegation — to each congressional representative.

That's what the charge is, to go back with a consistent message that focuses on cooperative issues so when those congressmen/women and senators hit the

floor, they are hearing the same messages from the coops. We educate them on what the cooperative business motto is all about. Take that to the delegation and once they get to the floor they've heard that consistent message. They start talking among their colleges and saying, "coops like this, coops don't like that", this has been a very effective way to do things.

Question: How long have you been participating in the legislative rallies?

Kevin Robison: I've participated in the legislative rally 5 out of the 10 years I've been at Mt. Wheeler Power. Each time, I believe, we are successful in communicating our message. Something about 4,000 people showing up on Capitol Hill...

Question: That's has to be exciting to take part in something so large.

Kevin Robison: It's very exciting but it's frustrating at times because you see the politics being played and you know, it's only about money. When you see the current status of the economy and the amount of money that they've spent on bailouts, they have got to have money.

Question: It's interesting how they paint it to not be about money. Nobody really talks about it. Why do you think it is something they skirt around?

Kevin Robison: If you look at the legislation, they've only singled out the electric industry to bare the brunt of the taxes. Sure, they put CAFE standards in the automobile industry, but they're only going to tax one industry. But what better industry, because who does it effect? Everyone. They say they are going after the utilities, but when you go after the utilities, whether it's a generator, a parent company or a power company, those companies costs are going to be past on to the American people; the tax payers, the bill payers. There is no way that you cannot afford to fight this. You have to fight it, some way some how.

Question: Do you feel they could revise the bill enough to make it into an affordable piece of legislation? Or do you do you feel they need to start from the beginning?

Kevin Robison: I think, you can come up with some portions out of the renewable energy piece, if you looked at it in a moderate fashion. The

one myth that's out there, is people believe an installed megawatt of a renewable resource, wind and solar in particular, is equal to an installed megawatt of coal or gas generation and that's is not the fact. That is a strong myth. Those two types of renewable energies only operate, at best, 25 – 27% of the time. So what do you do for the other 73 - 75% of the time? Just go without?

Question: When questions such as this are asked, how are they being answered?

Kevin Robison: I've never heard it answered directly. There is a large national security focus on coming up with a grid that would be protected. If you don't have sustainable generation sources, it doesn't matter how much you protect the grid, it's going to have ups and downs. Your going to have issues with it and to say that it's going to sustain the country is incorrect. Technology is not there yet. Storage is another problem. We don't have the capacity to store energy to be used during off and on peak times. That question has never been answered and yet they want us to still go forward with legislation.

Question: Doesn't it say in the [American Clean Energy and Security Act] bill that there will be funding for coming up with new technologies for renewable sources?

Kevin Robison: I believe it gives authority to certain departments within the government to establish those things, but I don't believe it says how it will be funded. I think if you read the legislation, and I could be wrong, I haven't read all 930 plus pages, I believe it gives authority to set up these types of things but it's not totally detailed.

Question: Now that this first step to passing this bill has been approved by the House of Representatives, what does this mean to Mt. Wheeler Power member-owners? In other words, how can they get involved and help keep this from passing in the senate?

Kevin Robison: We've published links on our website where members can contact their state representatives, we've distributed cards to our members asking for their approval to send messages to Capitol Hill in opposition to this bill that would create astronomical increases to our energy prices. Our members have responded very well. We need to continue that communication from the membership to Capitol Hill until we put this bill to

rest until responsible, reasonable heads can prevail. We need to protect the environment, we are not denying that, but we need to do it rationally and reasonably.

Question: If this bill gets shot down in the senate, what happens next?

Kevin Robison: I think we will need to continue telling our message. We want to be proactive as far as a clean environment, and I think the one thing that's missing here is the United States is already moving in a reduction of green house gasses. If it is truly a global issue, why don't you see the other industrialized nations, like China and other countries, trying to reduce green house gasses as well? I think the United States is making an improvement, we just need to keep presenting our message – it's about affordability. If the cost of energy is not affordable we're going to eliminate our market place as far as being an industrialized nation. Green jobs are not where it's at. I know locally, we could see 400-700 people lose their jobs if we see the rate increases that are in this legislation.

Question: I've heard that other countries are saying it is not worth the strain on their economy to pass climate change legislation, especially when the science of man-made global warming is still continually being challenged.

Kevin Robison: You know by and large, when the United States takes a position, typically the world follows. But you've already got stances from China and other industrialized nations that could basically overtake our economy. You've already got them telling you, "we're not doing it". And there is some off ramps built into the legislation that the congress wants the EPA to report back what these other countries are doing with greenhouse gasses and how to reduce them. But you are right; the numbers of skeptics are growing. I think this why you see the shift.

When we were back in Washington DC in May, they really looked at a landslide vote on this when the legislation first came out. I really give it back to Congressman Matheson. He deserves a lot of credit for bringing up the questions he did because I believe he got other people to thinking about it. I think that's why you've seen the vote swing the way it did. It was almost a balance vote, 7 votes with 425 representatives voting. That's not an overwhelming majority and I think you are going to see a lot of those representatives struggling for their political lives if in fact this bill passes and people start seeing impacts to their electrical bills and household expenses.

Question: How soon do you think it will start impacting people, if this legislation were to pass? Do you think it would be gradual increases or all at once everyone's bills will be larger?

Kevin Robison: I am not certain. Most people believe it will be about 2012. We will really know more after the senate has had an opportunity for debate, we will have to see what they produce before we know a time frame.

Follow up questions can be sent to Kevin Robison, Member Services Manager of Mt. Wheeler Power, via phone (775) 289-8981 or email kevinr@mwpower.org. Questions can also be directed to Summer Fredrickson, Public Relations, via phone (801) 596-2100 or email sfredrickson@ortongp.com

- ### -