




Your Touchstone Energy<sup>®</sup> Cooperative   
The power of human connections

# Manager's Message

Dear Members: \_\_\_\_\_ by Jeff Hohn



## LEGISLATIVE CONFERENCE

In the first week of May, thousands of Cooperative Board Members and Staff converged on Washington D.C. to get briefed by National Rural Electric Cooperative Association ("NRECA") and then meet with their respective Congressional Representatives to discuss upcoming legislation. There are several issues that would affect Rural Electric Cooperative consumers, but because of available space, I would only like to discuss one of the issues. That issue is "cap-and-trade."

Under a "cap-and-trade" plan, Congress would set a national cap on the number of tons of CO2 emissions that would be allowed each year by the plan. The cap would decline over time. EPA would then develop emissions permits, called allowances, equal to the number of tons allowed annually under the cap. How those allowances are distributed is a key question under any cap-and-trade plan. EPA could auction them to the highest bidders, or give them away for free.

Either way, at the end of every year, each entity that is regulated under the plan would need to submit one allowance to the EPA for every ton of CO2 they emitted during the year. They could submit allowances they were given by the EPA or bought from the EPA at the auction, or they could buy allowances

from another entity with more than it needs to comply with the legislation in a given year.

Alternatively, companies could submit "offsets" to the EPA in lieu of allowances. Offsets are projects, like planting trees, which take CO2 out of the atmosphere as a way of "offsetting" the emissions added to the atmosphere from a power plant or other source. Finally, if the legislation includes a "safety valve" provision, regulated entities could buy additional allowances from the EPA at a fixed maximum price to ensure there is a hard ceiling on the program's costs.

## DRAFT OF CLIMATE CHANGE BILL RELEASED

On March 31<sup>st</sup>, the House Energy and Commerce Committee circulated a "Waxman-Markey discussion draft" of legislation that would create a national cap-and-trade system. The Energy and Environment Subcommittee began hearings on that draft legislation in April, and the full Committee is expected to formally consider the bill in a "mark-up" session in May. Committee Chairman Henry Waxman (D-CA) has said he wants

### Inside:

2009 Scholarship  
Winners.....2

Home Energy Audits....4

Don't forget  
Father's Day  
on  
June 21st!

(continued on page 4)

# 2009 Scholarship Winners

**H**igh Plains Power is pleased to announce the 2009 scholarship recipients. High Plains Power, Tri-State Generation and Transmission and Basin Electric Power Cooperative will assist in furthering the education of 10 area students by awarding each a \$1000 scholarship.

The scholarship is available to graduating high school seniors whose parents or legal guardians are members of High Plains Power. The recipients are selected based on academic record, education, career goals, written recommendations, extra curricular activities, and work experience.

At this time we wish all seniors the best of luck!



**Kelsey Redland**  
Hot Springs County High School



**Michelle Steinhoff**  
Wind River High School



**Brooke Bodar**  
Dubois High School



**Stephanie Hugus**  
Riverton High School



**Rex Amend**  
Riverton High School



**Katie Olsen**  
Hot Springs County High School



**Samantha Smith**  
Lander Valley High School



**Ashlee Kintzler**  
Wind River High School

**David M. McDonald  
Scholarship Winner**



**Morgan Johnson**  
Washington State University



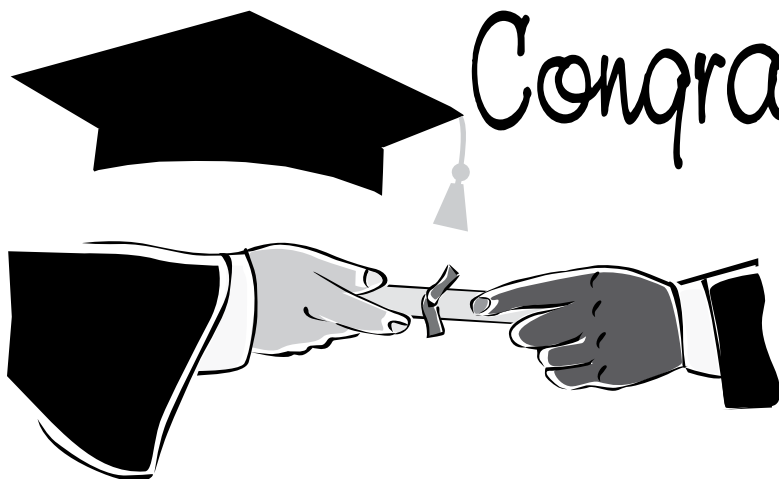
**Anna Vanuga**  
Dubois High School



**Brittani Gardner**  
Shoshoni High School

The David M. McDonald Scholarship recipient was Morgan Johnson. She attends Washington State University College of Veterinary Medicine. She plans on receiving her doctorate in May 2010 and then she wants to return to Fremont County to practice. Morgan is the daughter of the late Dubois line foreman, Doug Johnson.

The David McDonald family was gracious enough to start this scholarship fund back in 2006.



**Congratulations!**

*class of*

**2009**

## Manager's Message

to have a bill on the floor by Memorial Day.

Unfortunately, the discussion draft does not meet the test of keeping electricity affordable for all Americans. Very importantly, the bill does not address how allowances will be initially distributed, leaving the door open to a complete auction of those allowances. If cooperatives have to buy allowances at an auction to the highest bidder, our consumer-owners will wind up paying electricity tax. The legislation includes:

1. Emission caps that are too stringent in the early years of the program.

*(continued from page 1)*

2. Opens the door to Wall Street speculators.

3. Fails to include an economic safety valve to contain costs.

4. Is overly restrictive in allowing the use of offsets and biomass.

5. Inadequately addresses existing laws that could be used to require emission reductions.

6. Includes unnecessary and duplicative regulations that will further drive up the cost of electricity.

There have been two values for CO2 being discussed. NRECA has done an analysis to see what the average increase would be for each state. At \$20/ton the average increase for

the Wyoming rate payer is 23%. At \$50/ton the average increase would be 58%. All three of our Congressional Representatives were very receptive to our objections to this bill, but they still need to hear from you. If you feel that these increases are unacceptable, please contact them and let them know. They need to hear the individual Wyoming resident.

If you would like to contact me for any reason, my email address is [jhhpp@wyoming.com](mailto:jhhpp@wyoming.com).

## Home Energy Audits

Are you wanting to evaluate your home energy efficiency?

An audit is the first step to assess how much energy your home consumes.

High Plains Power will do energy audits at no cost.

Call the office and set up an appointment.

High Plains Power

# NEWS

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Jeff Hohn

This is a monthly publication made available by High Plains Power, Inc., with the Wyoming Rural Electric News. Ideas, questions and comments are welcome.