



Need for certainty, Ability to provide for future growth, Keeping power bills reasonable and stable helps our economy grow

For the past four years the Idaho Consumer-Owned Utilities Association (ICUA), the statewide association representing all of Idaho's public power utilities – rural electric cooperatives and municipal electrical utilities – has worked tirelessly to update Idaho's Constitution to codify the way that the municipal electrical utilities have entered into power service agreements for over fifty years. In the 2010 legislative session, ICUA was successful in passing HJR 7 overwhelming in the Idaho Legislature in order to make this critical constitutional update – now it must receive a majority vote on the ballot across the state in November.

Eleven Idaho cities own municipal electric utilities. These cities purchase power supplies from the Bonneville Power Administration (BPA) and other suppliers under multi-year contracts. Energy costs, like many other commodities, vary widely depending upon supply and demand.

HJR7 clarifies that a city owning a municipal electric system may enter into contracts or agreements with BPA and other suppliers for the purchase of wholesale electricity, helping to ensure that its citizens have low-cost and stable electric utility rates as we have done for over 50 years. HJR 7 will resolve uncertainty with respect to the purchase of electrical energy by Idaho cities which own electric utilities.

If HJR7 does not pass, such cities would be restricted to purchasing energy on short-term contracts with pricing terms which can be very volatile and unpredictable -- potentially endangering not only the economies of these cities but also the regions in which they are located.

In addition, HJR7 would allow a city owning a municipal electric system to responsibly upgrade and modernize electricity-related facilities and help to stabilize electric rates. Such cities would be allowed to issue revenue bonds, with the assent of a majority of voters, in order to finance investment in electric generation, transmission and distribution infrastructure.

The revenue bonds must be payable solely from the revenues derived from the electric system and are not secured by the taxing power of the city or state.

Vote yes on HJR 7 this November so that power cities can continue to provide low cost, stable electric rates, which keeps power affordable -- growing the economy by attracting businesses to our state.

*Paid for by the "Yes on HJR 7 Committee"
Pete Cenarussa, Treasurer*