



John Villyard, CEO

San Luis Valley Rural Electric Cooperative

These days, it's rare to read positive reports about the activities of political lobbyists. But that's exactly what I'm going to offer right now: a positive story about the efforts of Colorado Rural Electric Association.

CREA was established to enhance and advance the interests of its member electric cooperatives. To achieve this mission, CREA works closely with state legislators, often effecting change that benefits many Coloradans, not just members of electric co-ops.

Last month HB10-1190 proposed suspending the current exemption from state sales

CREA Lobby Effective in Extending Sales Tax Exemption

tax for the purchase of electricity and other fuel sources for several processes including manufacturing, mining, refining, irrigation and construction. The bill was conservatively estimated as a way of generating an additional \$56 million in revenue for the state in fiscal year 2010/2011.

However, as it was initially proposed, power generation companies (like Tri-State Generation & Transmission and Xcel Energy) and agricultural producers were included in the "remove" list. Several groups encouraged legislators to remove power generation companies from the list. Additionally, in its first reading, electric co-ops would have also been impacted as collectors of the tax. This concerned CREA.

However, more important from CREA's perspective was the negative impact of taxing irrigators on their electricity purchases. CREA effectively lobbied against this aspect of

the bill and was responsible for extending the sales tax exemption for electricity sold for the purpose of irrigation.

Had CREA been unsuccessful, the implications would have been far-reaching. The economy of many communities in our state depends upon agriculture. That's certainly true here in the Valley.

This story is but one example of the positive impact lobby groups can have upon legislators. But no matter how effective the lobby, whether or not lobby groups succeed in their efforts depends upon us. Even in the face of a strong lobby, legislators are unlikely to pass legislation the majority of their constituents do not support.

However, for the democratic process to work most effectively, citizens must engage in the process. It's up to people like you and me to pay attention to the actions of our legislators and to voice our opinions and our concerns.

In terms of energy issues, keeping abreast of issues and making your concerns known will be very important in upcoming months. We anticipate a number of bills regarding energy issues being brought forward. I'll do my best to provide updates on that legislation here.

I also encourage you to pencil in June 8 on your calendar. That day, SLVREC will host an Energy Fair at Ski Hi Park from 11 to 5. Everyone in the community is welcome. We'll do our best to offer information on issues at the local, state and federal level. Plus, you'll have an opportunity to learn about energy conservation and renewable energy. I hope to see you there!

**SAN LUIS VALLEY
RURAL ELECTRIC CO-OP**

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