



CENTRAL ELECTRIC COOPERATIVE, INC.

President's Quarterly Newsletter

October 2006

Dear Member:

I would like to take this opportunity to introduce myself to you. I'm Dave Markham, the new president and chief executive officer of Central Electric Cooperative, Inc.

I've been with Central Electric since 1997 when I was hired as an account executive. Prior to joining Central Electric, I spent 13 years at Pacific Power and was a business manager in Redmond and Corvallis. Al Gonzalez, who took over the presidency in 1996, is retiring after more than 27 years with the co-op. During this past year, I have served as general manager of CEC.

The past 10 years, Al has communicated with you on a variety of subjects. I intend to continue that communication.

One of the biggest challenges CEC has faced since I joined the co-op is the issue of growth on our system. So far in 2006, we are 4% ahead of last year when it comes to connecting new accounts. At the end of August, for example, we had connected 903 new accounts, compared to 713 for the same period of 2005.

While some areas of Central Oregon have experienced a slight slowdown in the number of new houses being sold, we are experiencing no similar trend when it comes to new construction in our territory.

Finally, I want to emphasize to you that I am available to answer your calls or letters on any aspect of CEC's day-to-day operations.

Sincerely,



Dave Markham
President/CEO