

History offers key to state's energy dilemma

By MIKE McLAIN
Of the Emerald

Editor's note: This is the first in a three-part article about the future of energy production in the Northwest. Today's story traces the development of the region's public and investor-owned utilities.

For many years, Oregon has enjoyed some of the lowest electricity rates in the nation.

And we've wallowed in the luxury, consuming the juice at twice the national per capita rate.

But those times are gone and the prognosis for the state is a tightening of the energy belt and a loosening of wallets for rising electricity bills.

Since the 1973 energy crunch, the electric bills of 80 per cent of the state's residents — those served by investor-owned utilities (IOU's) such as Portland General Electric — have risen to appoint where they almost double that of

public utilities commission (PUC) customers, like those served by the Eugene Water and Electric Board (EWEB).

These customers are also paying bills that are almost twice as high as those of the majority of the Washington state's residents.

Gov. Bob Straub wants to put an end to this price disparity, and — one way or another — it looks like he will succeed at the expense of Washington's residents and Oregon's PUC customers.

In order to understand what is happening a little history, as provided by Oregon Deputy Public Utility Commissioner Ivan Gold, is in order.

The present price disparity is a result of "brutal ideological battles" in the 1930s, when Oregon decided to satisfy most of its energy needs through private utility companies — the IOU's. Only 20 per cent of the state is served by PUC's.

The state of Washington opted for the reverse ratio.

The Bonneville Power Administration, with its system of federally built hydro-electric dams throughout its service area (which includes Oregon, Washington, Idaho and Western Montana) had ample power to satisfy everyone's needs. And the power was cheap.

But this inexpensive power began to attract energy-gobbling industry, such as the aluminum plants. Though there was sufficient power at the time, concern about the future resulted in the federally mandated BPA energy "preference clause." This clause required that the needs of the PUC's be met first, with the IOU's and industry having rights to "firm" cheap hydro-power granted by 20-year contracts.

As long as there was sufficient power, there was a 20 per cent price disparity between the PUC's and the IOU's because of the IOU's profit margin, higher taxes and higher interest on capital construction bonds.

"Phase One" regional power policy, as Gold termed the period

when all energy needs were served by hydro-generation, came to an end in 1973. In that year, due to regional energy load growth and the expiration of "firm" energy contracts signed by Oregon IOU's in the early 1950s, the IOU's were forced to begin construction of additional facilities to augment their power supply.

Thus begins Gold's "Phase Two." The region's IOU's began to mix cheap BPA power with expensive thermal power from newly-constructed coal or nuclear-driven steam generators, driving up electric bills.

But the higher prices were suffered only by those IOU customers locked out by the "preference clause," or by customers of PUC's such as EWEB, whose rapid load growth forced investment in thermal projects. EWEB has 30 per cent ownership of Trojan Nuclear Plant, but presently passes the energy — and most of the increased cost — to consumers in California. As that energy becomes needed here, EWEB bills

will reflect the added expense. But regionally this is a rare move. Most PUC's are assured of adequate hydro-power.

Since Washington's ratio of IOU's to PUC's is higher (60 per cent of Washington's utilities are publicly owned as opposed to Oregon's 20 per cent), there is a growing rift in energy prices paid by the two states. The majority of Washington customers pay approximately \$10 per 1,000 kilowatt hours, compared to \$24 paid by the majority in Oregon, according to figures compiled by Straub's staff.

Straub has made it one of his highest priorities to end this "unacceptable disparity." He has proposed a Domestic and Rural Power Authority which would enable Oregon's IOU customers to circumvent the "preference clause." But many people consider this a "blackmail" effort to produce a new regional power policy. Tuesday's article will examine Straub's plan and describe Gold's "Phase Three" in the development of regional power policy.

Heat loss photographs readied for public view

Aerial photographs to indicate heat losses from homes in the Eugene-Springfield area taken last Monday will be available to the public next week.

A Texas Instruments, Inc. helicopter was contracted by Bonneville Power Administration (BPA) to photograph parts of Eugene-Springfield to find out how effective the infra-red system is in detecting heat loss. This is a part of a BPA program to bring the energy-saving qualities of good insulation to the public's attention.

Heat radiation will show up as light spots in the pictures and cold areas will be black. "It looks like a valuable tool, but we won't know until the results are in," said Ladd Sutton of the BPA's Eugene office.

A flyover had been attempted prior to Monday, but fog made it impossible to get clear pictures. "We couldn't have waited much longer because the air was getting moist," said Sutton.

Last Monday was chosen because the temperature was 37 degrees and the radiation temperature was 34 degrees. Such low temperatures are important conditions for obtaining correct heat readings.

"We think the temperature should have been colder, but they told us they could do it at that temperature," notes Sutton.

The BPA will work with the area utilities on ways of presenting the findings to the public. But Sutton cautioned, "They can't be taken at face value. There are a lot of variables such as heat loss from windows and night-set thermostats that have to be considered."

The pictures were taken in the north part of Eugene and in an east to west strip of Springfield. An unofficial area was also covered around the edges of the main sites.

EWEB urges energy cutbacks

The state's unseasonably dry weather has sparked the Eugene Water and Electric Board (EWEB) to begin a full-scale energy and water conservation program.

The program, which was announced at an EWEB board meeting last week, calls for EWEB representatives to work individually with the utility's approximately 5,000 commercial and industrial customers

to develop conservation programs. The unveiling of EWEB's conservation program came on the heels of an announcement by the Bonneville Power Administration (BPA) that public and private utilities in BPA's Northwest power network would be asked to cut their energy consumption by 10 per cent.

According to Keith Parks, EWEB general manager, the commercial and industrial visitations will involve five or six EWEB staff members and will take several months to complete. He feels the visits will help to show large power users additional ways they can conserve energy.

According to Parks, EWEB officials will also ask its 45,000 residential customers to cut back on water and energy use whenever possible. Parks says an energy program developed during the 1973-74 energy shortage will be updated and will include a "Laundry list" of conservation measures customers can practice to cut their water and energy use.

Parks said mandatory energy curtailments may be necessary if the drought continues.

Lack of rainfall may also hamper the University's power supply, according to Harold Babcock of the University's Physical Plant. The University is one of EWEB's major power users, but Babcock says in a "crunch" the University's own fuel generation system could produce enough electricity to satisfy the school's energy needs.

Babcock also reports, however, that significant drops in the water level of the Willamette River could force the University to shut down its generation system entirely.

Postmaster sets protection week

"American consumers lost an estimated \$514 million last year as a result of mail fraud and misrepresentation-by-mail schemes," according to Eugene postmaster Ethan Newman.

In an effort to assist consumers, Postmaster General Benjamin Bailar has designated this week as the second annual Postal Consumer Protection Week. The Postal Service investigates mail fraud and false representation by mail through the efforts of the Postal Inspection Service, the Consumer Protection Office of the Postal Service Law Department, the Service's Judicial Office and its Consumer Advocate.

"In conjunction with Consumer Protection Week, we are re-emphasizing the Consumer Service Card Program," Postmaster Newman said.

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4 hours of tape with breaks, 6-10 p.m.
DONATIONS
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00613:21

EMU Cultural Forum
Presents in Concert
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Wednesday, March 2, 1977
EMU Ballroom, 8 p.m.
Tickets available at EMU Main Desk and
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EUGENE OPERA! PRESENTS
CARMEN
PERFORMED IN ENGLISH
February 25, 26, 27
Tickets: Meier & Frank, Mattox and Skeles
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CINEMA 7
ATRIUM BUILDING, SECOND FLOOR
10th and Olive, 687-0733
TONIGHT THRU FEBRUARY 22
1st Eugene Showing of Kurosawa's
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THE IDIOT
Starring Toshiro Mifune
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PERSONAL
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Help and advice in filling out tax returns. Presentation: BAP Accounting Fraternity 10 a.m.-1:30 p.m. Monday thru Friday EMU Lobby. 14224:2-28

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RALPH DAWSON
TODAY! in the Forum Room at 11:30
The witty, eloquent and extremely informative **RALPH DAWSON** will be speaking on **STRATEGIES FOR SURVIVAL: The Ethnic Student in Higher Education** (or) **Plantation Songs and Other Stories** (or) **Memoirs of a Runaway Slave.** 00621:21

LANE MEMORIAL BLOOD BANK
The Bloodmobile will be at Cottage Grove today from 2:30-5:30. Contact June Bird at 942-2820 for more information.

DONORS NEEDED
A Positive 4 Units; A Negative 1 Unit; O Positive 6 Units; O Negative 1 Unit; B Positive 1 Unit. Call 484-9111 for an appointment.

JELL-O, happy 21st! Finally, no more Chee-tos and Coke. It's Cold Duck all the way. Here's to Paris, wine, and??
Love, KSJ 2:21

UNIVERSITY DEMOCRATS WILL be meeting Monday at 7:30 p.m. in EMU, Room to be Posted! 00601:21

Have YOU purchased your 1977 Oregonana?
This award-winning, 500-page history of the University during 1976-77 is still available at the low price of \$9.

DON'T WAIT! BUY YOURS NOW
March 1 the Oregonana will sell for \$11. Don't wait until next fall to reorder — there will not be extra copies. Get your Oregonana now. Just stop by Room M-111, on the mezzanine level of the EMU, or look for our table in the EMU lobby the week in February.

See yourself — in the Oregonana. 00474:sb

YESTERDAY WAS MINDY SEACATS 19th! Give her a birthday kiss! Happy day. 2:21

C.J. THANK YOU for a year of sunshine and love. Looking forward to many more. ILY your "non." 2:21

HAPPY QUARTER-CENTURY BIRTHDAY ROBERT (AND GEORGE) SCHERZER! A small donation has been made in your name to the study on aging in America. J. 2:21

VON GROTO, sister of the Frog. Your cup runneth over, but may yours always be rated 10. Happy Birthday! Compliments of #11 Gourmet Restaurant. 2:18

TWEEZE, TWEEZE and what do you have? More and more of the prickly unwanted hairs, right? Get smart! Phone 687-9181. Electrology by Marian. 00489:MWf

BOOGIE ON DOWN TO BIGGIES SUB CITY
Home of the Super Biggie
788B 11th Street, Next to Mayflower Theatre
2:25

JOIN THE GREEK LIFE. Sign up for Sorority Spring Formal Rush (April 27-May 3) at Panhellenic Office, Suite 3, EMU. 00615:25

MARTY LORCH—Let's hope your next 21 years brings you better luck in handball. Happy 21st! 2:21

PI KAPPA ALPHA FRATERNITY presents the First Annual Pike's Peak Road Rally. This Friday, February 25. Registration starts at 7 p.m. First car out at 7:30 p.m. Prizes awarded for First, Second and Third place. 2:21

LEIF SEYMOUR, HAPPY BIRTHDAY to one pervert from another. 2:21

TO APARTMENT 5 DELI, it's OK if you're out of Pastrami, just make it a well hung sausage, heavy on the Mayo (wrap it to go!) Your Patrons 2:21

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