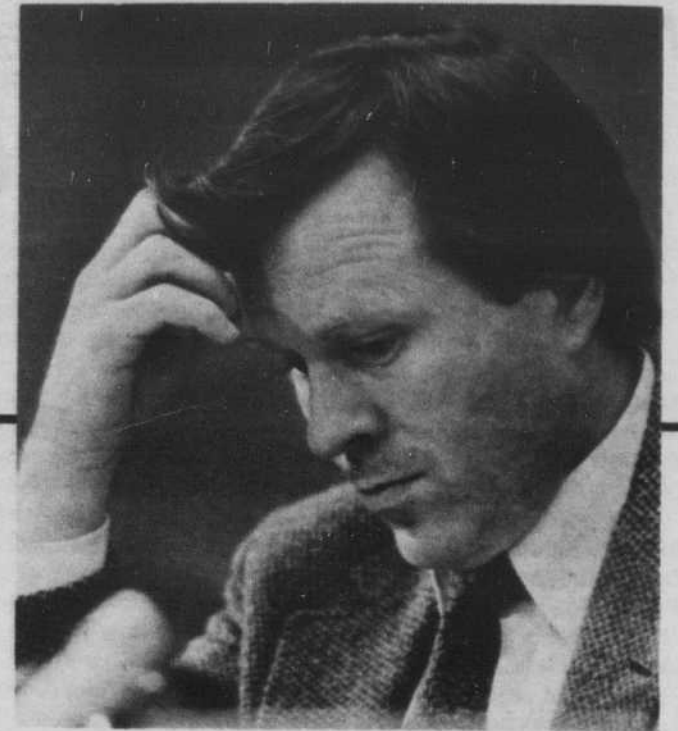




Ed Fadeley

# WPPSS

## Company accused of multi-billion dollar robbery



Ted Kulongoski

**The Washington Public Power Supply System** is committed to a "multi-billion dollar robbery" and is now engaged in a "pattern of secrecy," say several observers of WPPSS.

U.S. Congressman Jim Weaver, D-Ore., the general manager of the Springfield Utility Board, a University economics professor, and several representatives of Springfield Fair Share were among those lambasting WPPSS at a public hearing Thursday night in Springfield's Williamalane Senior Center.

Sen. Ted Kulongoski, chairing the Senate interim energy committee investigating WPPSS, heard testimony painting a dismal view of the Washington power system:

WPPSS contracts are invalid because WPPSS subverted the people's will and deceived local utilities. State legislation and a U.S. Congressional investigation are necessary. The people will not rest until the truth is known. Technical incompetence led to inaccurate energy forecasts and the way to avoid further incompetence is to concentrate on decentralized — not regional — energy programs.

Kulongoski, D-Junction City, said representatives from WPPSS and the Bonneville Power Administration told him they would appear at the Springfield hearing but decided not to at the last

minute.

"It's very, very difficult for me to get to the bottom of this," Kulongoski said, adding that "unless these people are more cooperative" his committee can't accomplish much.

Of those who did testify, Congressman Jim Weaver spoke first. "If there is one salient issue in the WPPSS fiasco it's that the people's will was subverted." He vowed to fight a \$600 million WPPSS bond issue in New York, and said, "we must not cease in our fight" to invalidate the WPPSS contracts so ratepayers don't have to pay.

Peter DeFazio, a candidate for Springfield County Commissioner, said it was a "totally bankrupt idea" for BPA to consider selling power to California. The Oregon Legislature should draft legislation to protect Oregon's citizens from WPPSS and BPA over and above any litigation taking place, he said.

Robert Fennessy, of the Springfield chapter of Oregon Fair Share ratepayers group, gave a short history of WPPSS. An accounting trick called "net billing," he said, enabled BPA to buy power not allowed by Oregon law. In 1975, WPPSS and BPA officials pressured 88 utilities into financing the WPPSS nuclear plants by threatening a power shortage, Fennessy said. WPPSS and BPA officials have refused to attend public information

meetings, revealing a "pattern of secrecy," he added.

Glenn Sofge, of Springfield Fair Share, spoke against the "experts" responsible for the WPPSS project which is "going to take the whole Northwest down the drain."

Energy officials, he said, have used technical jargon to insulate them from the people, but not showing up at the hearing "is the last straw!" Officials have attempted a cover-up but "we, the people, will not rest" until everything is in the open, Sofge said.

Virginia Bristol, of Springfield Fair Share, said WPPSS is "a multi-billion dollar robbery" and called for an investigation to determine whether the inaccurate energy forecast was an honest mistake or if the figures were deliberately inflated.

"This fiasco is turning into a financial Holocaust," she added.

Pat Raymond, also of Springfield Fair Share, called for a "thorough Congressional investigation" because the interim committee doesn't have the resources or the authority to subpoena witnesses necessary to investigate WPPSS. A Congressional investigation would have the resources and authority: "We need that kind of an investigation of this issue."

Ed Whitelaw, University economics professor, said BPA technicians worked

out the "niceties of equations" rather than addressing key issues of energy and unemployment, per capita income, water supply, and the trade-off between fish and hydroelectric power. "We could just as easily been put in this mess by the incompetency of a technical army," he said.

Within a range of two to five years, the actual need for nuclear plants can vary anywhere from zero to five plants — while the time required to build any one plant is ten years. "Small errors are replete in our analysis," Whitelaw said. Therefore, decentralized energy programs should be stressed rather than regional plans, he said.

Steve Loveland, general manager of the Springfield Utility Board, said SUB received a "notice of insufficiency" from BPA in 1975 telling SUB that power shortfalls would occur in the '80s unless the WPPSS plants were built. So it was the "most prudent" action to support WPPSS, he said. Now, however, SUB thinks WPPSS has broken the contract, Loveland said.

"We're going to go after them."  
(Late last week SUB joined 12 other Northwest utilities in a suit against WPPSS for mismanagement.)

By Ron Hunt  
Photos by Bob Baker

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