

Oregon Electric Plans Extensions Into New Territories

CASCADIA AREA TO BE TAPPED

Permit Asked to Bridge Willamette to get Into Siletz Country

R. W. PICKARD, General Freight Agent, S. P. and S. and Oregon Electric Rys. Of great financial and industrial importance to the people of Salem and the entire Willamette valley are the development plans and projects of the Oregon Electric railway. In these days when many are wasting more energy in complaints of depression than they are exerting in seeking new business, the Oregon Electric is demonstrating its faith in this state by employing large crews of men in extending its lines from Albany, through Lebanon and Sweet Home to great areas covered by virgin timber on the Callapooza and South Santiam rivers.

In the meantime the company is seeking the approval of the Interstate Commerce Commission to purchase the Valley & Siletz railroad, build a bridge across the Willamette river and bring within more convenient range of Salem and adjacent territory the timber of Polk and Lincoln counties.

Still another project calls for the Oregon Electric to build a line from a point near Eugene for a distance of approximately forty miles into the Siuslaw country, a district hitherto little touched by the exploitations of lumbermen.

With these projects approved and completed, the Oregon Electric will have access to approximately one-third of Oregon's standing timber and the line will become a substantial feeder for the Northern Pacific and Great Northern, its parent roads, as they carry manufactured timber products to the markets of the Middle West and the East.

Today the Oregon Electric stands ready to expend \$5,750,000 in developments, acquisitions and extensions in the Willamette valley. On the Santiam extension \$1,500,000 will be required before the lines are completed. Already crews are laying rails almost to Sweet Home and during the winter months will push on with a fourteen mile branch up the Callapooza river. Then will follow the building of an extension from Sweet Home to Cascadia, and two branches that are to be known as Whatcombs and McDowell's. Each of these will tap thousands of acres of magnificent fir timber.

Power Company Increases Its Cash Available for Longer Rural Lines

Transfer of Control of Former P. E. P. to Central Public Service Company Outstanding Change During 1930

The most important step in the 1930 history of the Portland General Electric company was the purchase of its stock by the Central Public Service Corporation of Chicago, a very strong organization owning and operating electric light, gas, water and railway properties in over four hundred communities located in twenty-four states and in Canada.

The Central Public Service corporation ownership assures the company of a stronger financial condition and guarantees the benefits and economies which naturally flow from affiliation with a powerful and influential group of bankers and public utility operators.

Name is Changed
In the early part of the year, the name of the company was changed from Portland Electric Power company to Pacific Northwest Public Service company as such a change was deemed necessary to more correctly represent the territory in which the company operates.

The latter part of the year, in order to comply with the requirements of the Public Service Commission to aggregate its properties into various units, the Pacific Northwest Public Service company incorporated in the state of Oregon the Portland General Electric company to own and operate the light and power properties and the Portland Traction company for the operation of the Portland Street Railway company.

Million, Half Expended
The only one of the subsidiary companies that the public of Salem will have direct contact with will be the Portland General Electric company.

The expenditures in this territory by the Portland General Electric company and its predecessors during the ten years ending December 31, 1929, amounted to nearly one-half million dollars. This is an average of about one hundred fifty thousand dollars per annum.

The expenditures for the year 1930 amounted to approximately one hundred sixty thousand dollars including the proportional investments made in hydro-electric plants and transmission lines for the benefit of this division, which supplies Salem and vicinity.

It is anticipated that the expenditures for the year 1931 will be a corresponding amount. The principal item of additions to the property of the company during the past year has been in the extension of lines into rural communities.

The cost of these extensions has amounted to almost one hundred thousand dollars of the above mentioned amount.

New Extension Policy
An important change in the line extension policy of the company was made in the middle of the year.

Under the previous line extension policy, the company invested \$2.50 for each dollar of annual revenue anticipated to be derived from the proposed extension, so that if the anticipated revenue from a given extension was estimated to be \$100, the company would have spent \$250 towards the cost of the extension. If the extension cost more than that amount, the customers were required under the former policy of the company to advance the additional costs, and own an equity in the line to the amount of their investment.

Under the new policy the company will now invest \$3.00 for every dollar of anticipated revenue. If the cost of the line is in excess of the amount the company is justified in investing on the above mentioned 3 to 1 basis, and the farmers are willing to pay the fixed charges on the extra investment which amounts to 1 1/2 per cent month of the extra cost, the company will finance the entire cost of the line.

This relieves the farmers from financing the main line extension and leaves their funds available for the wiring of their homes and farm buildings, and for the purchase of electric equipment so that they may derive the maximum benefit from the electric service.

This plan has been found to be quite popular with a very large number of the customers, and many miles of line extension have been built and are under construction at the present time.

New Line Built
Another one of the major improvements being made by the company in 1930 was the construction of an 11,000 volt transmission line from a connection with the 52,000 volt transmission line at Mt. Angel, to Gervais, and is under construction at this time.

This line will continue from Gervais to Woodburn, and connect there with the present 11,000 volt line which runs from Mt. Angel to Woodburn, via Norton's corner, thereby forming a loop 11,000 volt line which will permit of the repairs to any portion of the 11,000 volt loop without any serious interruption to service to any of the communities supplied from this loop.

The estimated cost of this extension is \$14,000. Many farmers will be supplied by this line between Mt. Angel and Gervais.

Several improvements and additions were made at the power plant at Salem during the year, one of which was the installation of four voltage regulators to regulate the voltage of the service supplied on the circuits which extend from this station. This improvement cost approximately \$8,000.

The old frame warehouse building, which was vacated in 1929 when the line department and warehouse was moved to the new concrete building at 730 N. Liberty St., was removed during the latter part of this year.

The company disburses locally in Salem and vicinity annually approximately \$300,000. This money is spent for materials, services, payrolls, taxes, licenses, donations, etc. The company is one of the heaviest taxpayers in Marion county, paying approximately \$150 per day. Approximately 100 employees are employed regularly with additional temporary employees from time to time.

In addition to the local steam power plant at Trade and Liberty streets, power is also brought into Salem from the hydro-electric plants on the Willamette and Clackamas rivers, and the steam power electric plants at Portland. Over three transmission lines, one which comes in from Mt. Angel, another from Oregon City on the Oregon Electric Railway company's right of way, and another one from Portland through Newberg on the west side of the river. There is also another high tension line connecting the Mt. States Power company's system on the south with that of the Portland General Electric company at Salem, thus really giving Salem four transmission lines and a local steam plant. This insured a reliability of service seldom equaled in cities of this size.

BUYING WATER PLANT HELD UP

Litigation to Determine Validity of City's Move To get Supply

A marked forward step in the history of Salem occurred in 1929 when the city voted to acquire the plant of the Oregon-Washington Water Service company now supplying the city with water. Bonds to the extent of \$1,500,000 were authorized. Engineers were employed, Bear and Cunningham of Portland, who have made a thorough valuation of the company's properties. An offer of \$875,000 was made to the company which has the offer under advisement until the last of December.

Meantime litigation has been started to test the validity of the charter amendment. It will doubtless go to the supreme court for final adjudication and this will no doubt take several months.

Improvements Halted
Prior to the election the water company launched an extensive program of improvements. A new main was laid under the slough from the island to the main land. Work on a new filter plant at Trade and Liberty streets was begun and the excavation made. Further work was suspended as a result of the election, the company not desiring to invest further funds if its properties were to be taken over.

Meantime there has been some talk, if the water company does not accept the offer, for the city to install its own plant, drawing water from the Willamette at a point higher upstream.

The plans of the private water company include new intakes on the island, pumps to send the water across to the filter plant, the filtration plant downtown, new supply mains from the plant to the reservoir, improvements at the reservoir, all of which would have cost around \$250,000 it was estimated.

Pending final settlement of the ownership matter, the work is suspended; but as soon as the city acquires the plant immediate steps will be started toward improving the system so the city may be assured an abundance of pure, filtered water.

All-American is Claim of Salem

For its size, Salem is the most All-American city in the United States, is the claim of the Salem chamber of commerce. It just seems as if people from foreign countries prefer the crowded cities of New York and Boston and very few reach the great fertile valley of Oregon.

BERRY SHORTAGE CUTS DOWN PACK

Short crops of berries cut down the production somewhat at the Northwest Canning company's plant in Salem in 1930. The company operates a large plant with frontages on Commercial, Trade and Liberty streets. Its payroll to labor and its checks for fruit amount to a sizeable sum each season.

According to the management, the pack of 1930 has gone into consumption quite freely and there is the hope that by the time the next season starts there will be little carry-over of canned goods. This is quite in contrast with conditions 10 years ago in the post-war depression. Then there were enormous stocks of fruits in hands of canners, jobbers and dealers. This year the stocks are not unusually large.

The Northwest plant confines its operations to fruits and berries. Its run of work has been normal in 1930 and the company looks forward to a good season in 1931.

MANY LIBRARIES
Residents of 50 cities in the state have access to three libraries, each well equipped in its line. They are the state library, located in the supreme court building; the Salem public library; and the Willamette university library. The high school and junior highs also have good libraries.

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