

## Battle Behind Energy Decisions



Are you tired of watching your utility bills go up and up--and up? Have you ever wondered what the "Fuel Adjustment Clause" on your electricity bill means? Are you tired of hearing about higher oil company profits, while you pay more and more for gasoline? Do you sometimes wonder about the safety of nuclear power plants?

In October, 1974, a group of Lawrence and Topeka residents sharing these frustrations and questions about energy formed the People's Energy Project, in an effort to find the answers to these questions, and

to make some changes. Since that time, we have researched many energy issues, intervened in Kansas Power and Light rate increase hearings, built a library dealing with energy issues, put out a monthly energy newsletter, and worked to stop the construction of a proposed nuclear power plant at Burlington, Kansas.

It hasn't been easy. Most of us are workers and students. All of us are volunteers. Yet one conclusion we have reached through all our efforts is that people can become knowledgeable about energy, and that

people are capable of making decisions about energy-related issues, particularly those which most closely affect our lives.

On these pages, we would like to share with you some of the things we've learned these past months. There is much more to learn and much work to be done before we can have meaningful input into energy policy; Please join us. We meet every Sunday evening at 6:30 PM at the ECKAN center at 710 Massachusetts Street. If you can't come by, then please write to us at Post Office Box 423, Lawrence, Kansas, 66044.

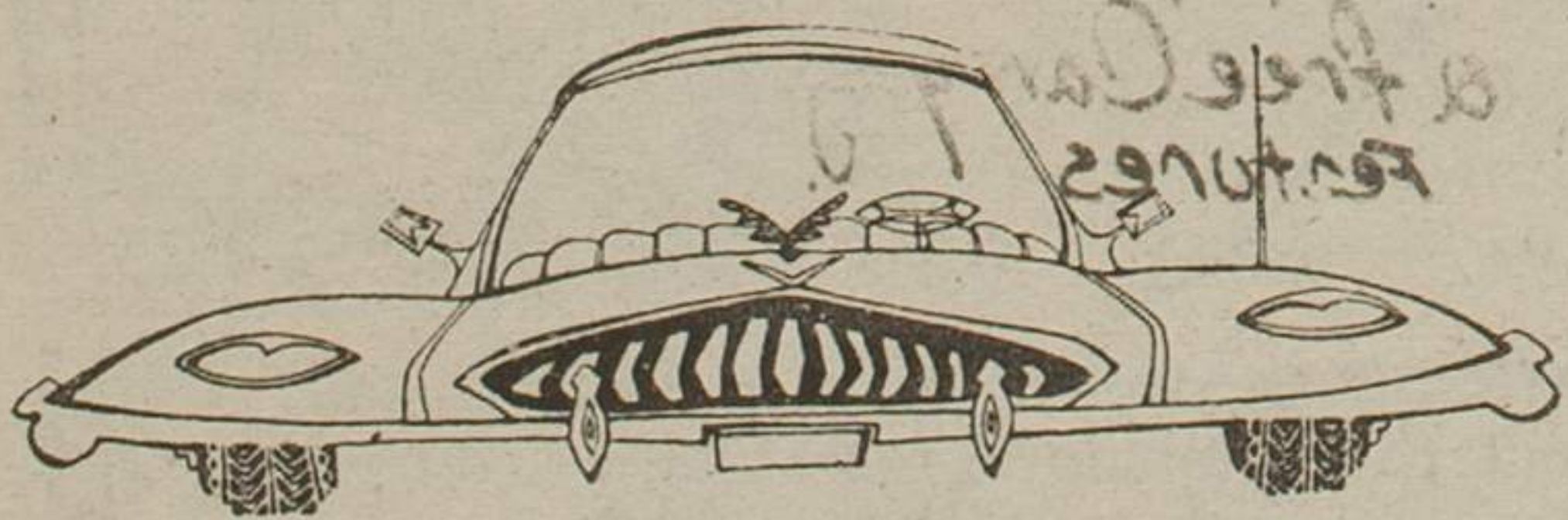
### Gas Guzzlers

In Lawrence the price of gasoline is going up. (Hovering around 52-61 cents per gallon). This high price hurts the people's standard of living--all for the profit of big oil stockholders (such as Vice-president Rockefeller). President Ford says he wants the price of gas and oil to go up so people will buy less gas, thereby easing our dependence on foreign oil imported into the United States. In reality, Ford wants to decrease our need for foreign oil without decreasing those high profits. Higher prices seem to have caused little reduction in gasoline demand, since most workers and students have little alternative to using cars for transportation.

WE SHOULD CUT BACK on gasoline use, both to improve air quality, and to conserve oil resources. The United States consumes 33% of the world's energy, while it has only 6% of the world's population. This can't continue. The "third world" people (Africa, Asia, Latin America, etc.) are beginning to demand their fair share of natural resources.

THE PEOPLE'S ENERGY PROJECT totally rejects President Ford's plan of forced gasoline savings by gouging workers and the poor with higher prices and profits. The burden thus falls on those least able to pay. Instead, we advocate the provision of low-cost fuel-efficient transportation to replace Detroit's current over-priced gas-guzzlers. Alternatives include trains, bus lines, subways, smaller cars with more efficient engines, bicycles, and others. While gasoline savings are being realized by these methods, the government can roll back the price of oil to meet the lower level of demand. Large gasoline savings could strike a tremendous blow against pollution, since for most vehicles more gas burned means more exhaust emissions. Also, the contrived need for dangerous and expensive nuclear power plants would evaporate if the demand for fossil fuels (such as gas, coal and oil) were relieved.

IN THE BIG CITIES, the focus must be to switch from single-occupant auto commuting to convenient inexpensive mass transit. Only by this method can the city air be cleaned and open spaces protected from the on-slaughter of new free-ways. The new Bay Area Rapid Transit system (BART) in San Francisco points the way forward. Yet it still has many problems, and was developed by private capital solely for profit. New rail systems like the BART and the Washington, D.C. subway system will take time and large amounts of money to complete. Money for such projects could be obtained by an extra "waste" tax on manufacturers and dealers of gas-wasting new cars. Until these new rapid transit systems are constructed, emphasis must be placed upon improved bus service, as in Kansas City. Even so, many areas on the Kansas side of the Kansas City metropolitan area cannot be reached after dark. Currently, the Area Transportation Authority fare is 20¢ higher on the Kansas side, due to the lack of a sales tax subsidy. Such a tax could benefit everyone in the city. It would reduce traffic and pollution, making the city that much more livable. But again, the tax should be shouldered by the real culprits, the large-car manufacturers and large-car dealerships.



FOR SMALLER TOWNS LIKE LAWRENCE, the focus will shift to smaller fuel-efficient cars, motorcycles, minibuses with variable stops, and good old human self-propulsion. Since mass transit will have limited patronage in small towns, citizens will have to be given incentives to drive Chevettas, VW Rabbits, Toyotas, etc., or to simply drive less. It will be safer to drive these cars, motorcycles and bicycles once the oversized junk now coming out of Detroit is forced off the road. Bike paths and special bike lanes will have to be built, as suggested by City Commissioner Carl Mibeck.

ITS YOUR CITY, your future and your mode of transportation. Don't be content to let some planning commission decide the future for you. Get involved and take a stand.

### Organizing to Keep Rates Down

Last November, when the People's Energy Project heard that the Kansas Power and Light company (KP&L) wanted to raise electricity rates by 13%, we decided to organize customers to fight it. Before a utility company is allowed to raise your rates, it must first get permission from the Kansas Corporation Commission (KCC). The KCC is a board of three government officials, operating at the State level, who claim to be a neutral regulatory body. But our attempts to participate in the rate increase hearings showed us that instead of being neutral, the KCC officials had a clear interest in protecting the utilities from the very beginning.

First of all, the rate increase hearing was held during the daytime in Topeka. How can the public have an equal chance with KP&L executives to attend these hearings, when most of us cannot afford to miss days at work or school to participate? The KP&L executives get paid, while the public has to pay (both the executive's salaries, and their own transportation

costs to the hearing site just to be there. As for location, why should all the hearings have been held in Topeka, when many customers lived in other cities within the area to be affected by the increase? We note the fact that the Kansas Power and Light headquarters is located in Topeka. This made things a lot simpler for the utility.

It is not merely the bias of the three individuals who comprise the KCC that slants the content of rate increase hearings in favor of utilities. Rather, it was the nature of the intervention process itself. The KCC did not want People's Energy Project to intervene as a group, but asked that they come to protest as individuals. Knowing that people will have more power and influence when they are united, we demanded the right to represent ourselves not as a fragmented rable, but as a single organization. At this point, the KCC said that we might not be allowed to intervene at all because we were not an incorporated group. Incorporation costs are high, and demand a good deal of paper work before the process can be completed. Why should it cost money just to be heard? Although P.E.P. felt competent enough to present our own case and cross-examine witnesses, the KCC demanded that our group be represented by a lawyer. Luckily, we were able to find a lawyer who volunteered to work without a fee.

P.E.P. recommended at the hearings that a feasibility study be done on equalized and/or inverted rate structures for utilities. The KCC responded that it was beyond their power to do such a study. The KCC is the only body in the State of Kansas that has the power to regulate and investigate utilities operating within the State. If such a study is not within their power, then to whom does this responsibility belong?

The hearings finally ended in a KCC-sanctioned 8.4% rate increase, rather than the 13% originally requested. The KCC and its staff could not be expected to deny the whole increase request because by law they are directed to grant a utility company a fair rate of return on its investments. The KCC was in no position to question the whole system of investor-owned (private) utilities as the best way to meet the energy needs of the public.

The point of all this is that the public can never rely upon our government agencies to protect our interests by merely regulating a system which deems monetary profits more important than people's basic needs. Energy is one of these needs. We just can't get by without it. We must come together over this issue, to talk and learn as much as we can, in order that we might find a better way of doing things.

### DO YOU KNOW ?

KWH--Kilowatt hour; the basic unit of electrical energy equal to one kilowatt of power supplied to or taken from an electric circuit steadily for one hour.

KW--Kilowatt; 1,000 watts.

Watt--The electrical unit of power, or rate of doing work. It is similar to horsepower or foot-pounds per minute of mechanical power.

Fuel Adjustment Clause--The federal law that allows utility companies to pass along, automatically, the increasing costs of the raw materials used in the production of electricity or heat. Thus, your utility bill may rise steadily from month to month, while never hearing of a rate increase.

BTU--British Thermal Unit; The standard unit used for measuring the quantity of heat energy, such as the heat-producing content of fuel. It is the amount of heat energy necessary to raise the temperature of one pound of water one degree Fahrenheit.

### Utility Guilty of Cover-Up

Utility rates in Kansas weigh heaviest on those using the least amount of electricity. A family at or near the poverty line may be paying over twice as much as much per KWH under Kansas Gas and Electric Co. rates than an industrial or big commercial user. (They would pay close to a penny more than these users under Kansas City Power and Light and Kansas Power and Light).

Listed below are average costs per KWH for residential, commercial, and industrial users under KG&E, KP&L, and KCP&L.

	KG&E	KP&L	KCP&L
Residential	2.17¢/KWH	2.87¢/KWH	3.02¢/KWH
Commercial	2.24¢/KWH	1.94¢/KWH	2.57¢/KWH
Industrial	1.24¢/KWH	1.28¢/KWH	1.58¢/KWH

The largest industrial users are paying at or below the cost of electricity production (1.45¢, according to KG&E). In Kansas, industry uses the most electricity and pays the least of any group rate. They are the most wasteful, and contribute to the problem of costly peak loads (higher costs caused by the use of inefficient fuels during periods of high demand). The higher rates paid by residential users, in effect, subsidize these large users.

The utilities give cheaper rates to those residents who

use more electricity, who have electric ranges, electric water heaters, and electric space heaters. People who live in all-electric homes get the cheapest residential rates of all. This is ridiculous, since all-electric homes and electric heating systems waste much more energy than coal, oil, or gas heating systems.



Electricity rate structures are grossly discriminatory. The more electrical appliances you can afford to buy and use, the less you pay for power. Electric utility rates also promote waste because they encourage the inefficient use of energy in exchange for cheaper power. Wasteful and discriminatory energy policies such as these affect you directly--through your wallet. It's time that we all get to gether and demand a little shake-up among the energy producers for our town.