

Cities which will lose Federal sewage works grants for fiscal year 1975 due to executive impoundment

[Funds lost in thousands]

Westfield	2794
Lapel	1239
Portland	864
Alexandria	867
Westport	33
Hammond	4050
Trall Creek	1425
Scott County RSD	2250
Lebanon	1440
Faoli	80
French Lick	87
Auburn	930
Greencastle	3310
Orleans	38
E. Bartholomew RSD	3375
Milan	45
Hope	112
Michigan City	2063
Town of Pines	895
Zionsville	38
Trafalgar	450
Redkey	188
Parker City	45
Campbellsburg	81
Selma	740
Brookville	25
Marion	2082
Matthews	57
Avilla	21
Bremen	1027
Jackson Cty. RSD	225
Dillsboro	14
Huntertown	18
Ingalls	445

EXHIBIT 1

May 10, 1974.

Re Municipal Sewage Works Grants—State of Indiana.

Mr. FRANCIS MAYO, Regional Administrator, Environmental Protection Agency, Chicago, Ill.

DEAR MR. MAYO: On May 9, the Indiana Congressional Delegation and their aides met with Lieutenant Governor Robert Orr and representatives of the Indiana Stream Pollution Control Board to discuss problems that exist with the Municipal Sewage Works Grant program in Indiana. Of special concern to us were the problems associated with the expenditure of the remaining \$41.3 million in FY '73 federal funds that must be obligated before June 30, 1974.

The Stream Pollution Control Board representatives described 20 projects totalling less than \$26 million that have met all major grant requirements and appear likely to receive a grant before the June 30, 1974, deadline. Eligible projects remain to be developed for purposes of encumbering the remaining \$15 million. The remaining 28 communities on the MPL that are listed as eligible for FY '73 money appear unlikely to qualify for any grant other than step 1 planning money. Review of the FY '74 MPL through 143 does not reveal a sufficient number of communities that carefully qualify for grants. Therefore, it is apparent that expenditure of the \$41.3 million within the eligible 143 on the MPL is very unlikely.

The reasons for the problems in obtaining a sufficient number of eligible projects are as follows:

1. The delay in the development of an approved priority rating system and MPL for the grant program.

2. The late (February 11, 1974) publication of final construction grant regulations and the late publication of guidelines for facility plan preparation and infiltration-inflow requirements, prohibited an early, timely response on the part of communities and consultants.

There are projects beyond 143 on the MPL that have plans and specifications completed and are prepared to commence construction. It would seem desirable to us to award grants to these communities. These communities would have been funded based on the Board's original FY '73 MPL. The communities were advised of their pollution control needs in the plan of implementation and proceeded to qualify for funds as a direct result of that requirement. Several are under Stream Pollution Control Board orders and two under U.S. EPA 180 day notice orders. A few communities are under a sewer ban because of over loaded treatment plants and development has been restricted. The communities sincerely believed that they would be funded and proceeded to invest considerable sums of money in engineering. At this time, the 1972 amendments and the subsequently promulgated regulations resulted in a revised priority rating system.

There are clear indications that this sequence of events produced significant inequities. We were advised by the Stream Pollution Control Board representatives that there are projects beyond position 143 on the MPL that are ready to proceed and should be considered for available FY '73 grant funds in priority order. These projects deserve every consideration.

We urge your reconsideration of the present situation which not only penalizes the citizens of Indiana, but also delays the implementation of the objectives of the Municipal Sewage Works Grant program developed by the U.S. Congress.

VANCE HARTKE,
BERCH BAYH,
U.S. Senators.

RAY J. MADDEN,
EARL F. LANDGREBE,
JOHN BRADEMAM,
J. EDWARD ROUSH,
ELWOOD H. HILLIS,
WILLIAM G. BRAY,
JOHN T. MYERS,
ROGER H. ZION,
LEE H. HAMILTON,
DAVID W. DENNIS,
WILLIAM H. HUDNUT III,
Members of Congress.

THE NATIONAL RESOURCE INFORMATION ACT

Mr. WILLIAMS. Mr. President, the need for decisive action on many shortage problems and natural resource issues is confronting us now as at no time in the past. Recent events in the energy field and with basic industrial materials have highlighted many other problems which we will continue to face. For example, the expected shortages of food in many parts of the world—aggravated by uncertainties over the availability of fertilizer—must be one of the priority issues with which all policymakers must deal, as must be population control measures. We can no longer afford to consider these various decisions in isolation from each other.

The recent rejection of the U.S. aid proposal at the U.N. special session on Third World resource and economic problems is unfortunate. Nevertheless, we must urge that an active participation in the formulation of new policies in these critical areas continue. Our national self-interest requires that we insure that these policies are coordinated

with domestic economic conditions to avoid negative effects both at home and abroad. A wheat deal, for example, should not inevitably result in higher prices and dislocations in the domestic economy. Planning ahead and combining foreign policies with domestic economic realities can help to avoid disastrous programs, while insuring the maximum amount of cooperation.

Among Federal agencies, there are examples of a lack of coordinated policies. The near-embargo in 1973 of soybean exports has been criticized by the General Accounting Office as a decision that ignored consultation between the Department of Commerce and the Department of State—resulting in consequences which counteracted several established policies. The GAO reported that the soybean embargo worsened an existing world food shortage, ran counter to efforts to increase exports, had adverse effects on the balance of payments, and also depressed domestic agriculture. Other such conflicting actions lately have involved the Agriculture Department and the Cost of Living Council in disagreements over the relative needs for increasing agricultural exports and the stabilization of domestic food prices.

The United States must take an active role in this effort by virtue of our enormous stake in the world community and the international economy. We have 6 percent of the global population and consume at least 27 percent of all raw materials—including 34 percent of the energy resources. As the world's largest exporter of food, our policies in part determine the well-being of millions of people around the globe, while, on the other hand, the United States is directly affected by the export policies of other nations. Our reliance on foreign sources for energy and mineral materials has demonstrated the necessity for cooperative policies. The nations of this world are becoming increasingly interdependent so that inflated prices and withheld supplies have a ripple effect throughout all economies.

Present shortages result from a combination of at least seven factors:

First, the United States has been relying increasingly on foreign sources for petroleum and certain other scarce minerals. In the 1970's, growing demand and worldwide competition for these resources has caused a problem of constraints on global supply. The Arab oil embargo, following the outbreak of war in the Middle East, in particular, strained the capacity of U.S. energy industries to adjust to a very significant interruption of foreign imports;

Second, the effects of the Arab oil embargo also reduced allocations to users of petroleum-related products;

Third, some industries, including those producing metals, petrochemicals, and textiles, are emerging from a prolonged period of overcapacity and depressed prices, which makes them unable to meet sharply increasing demands;

Fourth, economic price controls were imposed at a time when some commodity

prices were at long-term or seasonally low levels;

Fifth, demand for durable goods has been increasing;

Sixth, some 1973 crop yields were lower than expected, or were limited by acreage allotments; and

Seventh, exports of many commodities have expanded rapidly due to favorable overseas prices.

Proposals before the Congress which would establish broad policies and a comprehensive mechanism for averting future shortages and resource crises deserve our immediate attention. The National Resource Information System, which is embodied in Senate bill 3209, is the proposal which I must prefer for implementing a sophisticated and credible organization to accomplish the complex task of monitoring and analyzing our resource scarcity problems. As originally drafted, S. 3209 would establish a Bureau of Resource Information in the Department of Commerce. This office was modeled on a similar provision in the Energy Information Act, which in turn was patterned after the functions of the Bureau of the Census, as an independent and highly credible source of raw data and information analysis.

However, I have concluded, as did Senator NELSON, the sponsor of this National Resource Information Act, in recent testimony on the bill, that a new and altogether independent agency—preferably one responsible to the Congress—would be the most effective institutional setting for such an important function. Senator NELSON testified that the mission of this agency would be to monitor the use of all resources and to collect data so that country would know—

What and when to conserve, how much to produce, how to avoid shortages or gluts caused by ignorance, and when to begin significant research programs.

The report just released by the General Accounting Office on the Government's ability to cope with shortages concluded that, for the future, basic commodity problems 'have not even been adequately defined, let alone agreed upon.' The GAO has also tentatively endorsed the idea of making the agency an independent unit.

An independent agency would give the necessary objectivity and integrity to the gathering of information which would then be used for determining policy, not only by decisionmakers throughout government, but in the private sector and on the international level. This common base of data reporting and statistical analysis is crucial if we are to make sense out of the present conflict of facts and policies which are often generated for special purposes or to support foregone conclusions or decisions. Recent criticism of the validity of the Consumer Price Index—CPI—and the Wholesale Price Index—WPI—shows them to be examples of another problem with economic data.

Many of these problems could be overcome by a new and independent agency addressing itself to contemporary and long-range questions on resource information. A new agency might involve totally new personnel, or it could take the form of selected reorganization in order to create the most effective and

efficient operation. But questions about organizational arrangements or an affinity for existing programs should not obscure our thinking about the best way to approach this issue. Although much useful work is being done on this problem, our activity has been fragmented and uncoordinated with regard to information capabilities for planning and policymaking. This has been documented in the introductory statement on the National Resource Information Act. Computer technology, for instance, is not being used to its fullest advantage in maintaining and coordinating Government data gathering programs in the natural resources field, especially for the sharing of unique or costly information activities. Thus, an information shortage affects our ability to anticipate, avoid, or manage shortages of materials. Too much confusion, too many conflicting facts and arguments have slowed our efforts to come to grips with our current dilemmas in energy, environment, and economics. We clearly do not have the kind of advance warning and step-by-step planning needed for the future.

Concern over the long-term availability of some commodities focuses on increasing consumption rates worldwide, when contrasted with decreasing amounts of known reserves of nonrenewable minerals, and the potential threat of the formation of cartels to withhold supplies for a variety of reasons. Of the 14 to 18 basic raw materials considered necessary for an industrial society, the United States depends on imports for more than half its supply of six of them: aluminum; chromium; manganese; nickel; tin; and zinc. One principal factor for some imports has been their lower cost compared to economically-exploitable resources in the United States.

The U.S. Geological Survey has completed the first overall assessment of the Nation's mineral resources in 18 years and reported a "mineral crisis." Many known mineral deposits are seriously depleted and future supplies have either not yet been discovered or are too deep to be economically mined. Minerals for which "large" or "huge" resource bases remain include iron, coal, uranium, petroleum, aluminum, copper, zinc, lead, manganese, nickel, gypsum, sulfur, and molybdenum. "Small" or "insignificant" reserves are reported for tin, asbestos, chromium, fluorine, mica, and mercury.

For these and most of the remaining 50 or so mineral commodities, U.S. ability to meet projected needs will depend on increasingly sophisticated, yet economical, technology; recycling and conservation in mineral production and use; and imports. In addition, many minerals are being lost or wasted because of insufficient economic incentive for their recovery.

The final report of the National Commission on Materials Policy in June 1973 outlined the following summary directives for policymakers:

First, strike a balance between the need to produce goods and the need to protect the environment by modifying the materials system so that all resources, including environmental, are paid for by users;

Second, strive for an equilibrium between the supply of materials and demand by increasing primary production, by accelerating waste recycling, and improving efficiency-of-use of materials; and

Third, manage materials policy more effectively by recognizing the complex interrelationships of the materials/energy/environment system so that laws, executive orders, and administrative practices reinforce policy and do not counteract it.

The National Commission's studies reveal that—

Extensive interdependence exists among the nations of the world for raw materials [and that] . . . [n]o major nation nor group of nations is completely self-sufficient in all raw materials essential to an industrial economy.

Using data from the Geological Survey, the Commission found that domestic production remains the primary source of materials for the United States, although the Commission notes that in the last 20 years the percentages of imports, in the aggregate, for domestic consumption "have grown slightly" as a percentage of domestic consumption. This trend is anticipated to continue, according to the report. However, the Commission recommends relying on market forces to determine the mix of imports and domestic production, but with the proviso that—

Where costly and dangerous reliance upon imported materials . . . the Government must intervene.

Two problems found by the Commission which are related to the domestic minerals position of the United States vis-a-vis its imports are that—the proportion of recycled materials is declining, and—policy formulation for materials management is "handicapped by inadequate, inaccurate, or inaccessible information."

Population increases indicate a doubling time of about a generation for the present population which will necessitate a doubling of food production in the next generation unless that growth rate is reduced.

Otherwise we can anticipate no solution whatever. The same spectre confronts us for minerals, fuels, and other nonrenewable resources; although in this case, most of the resources are of finite quantity and eventually will be depleted.

In light of such projections, with their assumptions of present rates of increase and based on known mineral resources, we cannot sit idly by while such prophecies, if reasonably accurate, are allowed to fulfill themselves. We cannot allow it to happen in the absence of an examination of our consumption and growth patterns to determine our response with new policies designed to meet such challenges. It is for these reasons that I call for urgent action on the National Resource Information Act.

Mr. President, I ask unanimous consent to print information on this issue in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

SELECTED U.S. MATERIALS POSITIONS

Materials (and uses)	Forecast annual growth in demand	Percent of consumption imported	Percent of product exported	Percent of consumption recycled	Materials (and uses)	Forecast annual growth in demand	Percent of consumption imported	Percent of product exported	Percent of consumption recycled
1. Mica (sheet) (electrical items).....	7.0	100	46	0	10. Titanium, rutile (pigments, metals, ceramics).....	5.0	86	1	1
2. Platinum group ¹ (alloys and catalysts).....	3.0	100	24	22	Iminite.....	18.0	(?)		
3. Chromium ¹ (alloys, compounds).....					Sponge.....	35.0	26		
political or environmental uncertainty.....	5.0	100	15	12	11. Asbestos (concrete, tile, abrasives, insulation).....	0	85	63	0
4. Strontium ¹ (electronic tubes, fireworks, zinc refining, ceramics).....	4.0	100	(?)	0	12. Tin (tinplate, solders, chemical alloys).....				
5. Cobalt (steel alloys, chemical uses).....	2.0	98	6	<1	heavy reliance on overseas sources and recycling.....	4.0	77	2	24
6. Tantalum ¹ (electronics, anticorrosive).....	4.0	97	17	11	15. Bismuth (metal alloys, chemical compounds).....	<3.0	75	13	(?)
7. Bauxite (aluminum) most abundant metallic element.....	7.0	87-96	15	23	14. Nickel (alloys).....	3.0	74	3	34
8. Manganese ¹ (alloys, etc.).....	3.0	95	2	<1	15. Columbium (steel, super alloys).....	6.0	67	<1	<1
9. Fluorine (chemicals, smelting).....	3.0	87	<1	(e)	16. Antimony (lead hardener, flame retardant, ceramics).....	4.0	65	<1	60
					17. Zinc (alloys, comp unds).....	3.0	52	1	5
					18. Iron ore (iron, steel).....	1.5-2.5	28	3	33
					19. Lead (pure, alloys, compounds).....	1.6	26	<1	35

¹ Denotes nonavailability of substitutes for major applications.
² Not available.
³ Small amount.
⁴ Small part.

⁵ From imports.
⁶ Of consumption.

Source: Mining and Minerals Policy, 1973, pt. 2 (appendices), U.S. Department of Interior.

TABLE 4.—NONRENEWABLE NATURAL RESOURCES*

Resource	Known global reserves ^a	Static index (years) ^b	Projected rate of growth (percent per year) ^c			Exponential index (years) ^d	Exponential index calculated using 5 times known reserves (years) ^e	U.S. consumption as percent of world total ^f
			High	Average	Low			
Aluminum.....	1.17×10 ⁸ tons ¹	100	7.7	6.4	5.1	31	55	42
Chromium.....	7.75×10 ⁸ tons.....	420	3.3	2.6	2.0	95	154	19
Coal.....	5×10 ¹² tons.....	2,300	5.3	4.1	3.0	111	150	44
Cobalt.....	4.8×10 ⁸ lbs.....	110	2.0	1.5	1.0	60	148	32
Copper.....	308×10 ⁹ tons.....	36	5.8	4.6	3.4	21	48	32
Gold.....	353×10 ⁶ troy oz.....	11	4.8	4.1	3.4	9	29	25
Iron.....	1×10 ¹¹ tons.....	240	2.3	1.8	1.3	93	173	28
Lead.....	91×10 ⁹ tons.....	26	2.4	2.0	1.7	21	64	25
Manganese.....	8×10 ⁸ tons.....	97	3.5	2.9	2.4	46	94	14
Mercury.....	3.34×10 ⁸ flasks.....	13	3.1	2.6	2.2	13	41	24
Molybdenum.....	10.8×10 ⁹ lbs.....	79	5.0	4.5	4.0	34	65	40
Natural gas.....	1.14×10 ¹⁵ cu ft.....	38	5.5	4.7	3.9	22	49	63
Nickel.....	147×10 ⁹ lbs.....	150	4.0	3.4	2.8	53	96	38
Petroleum.....	455×10 ⁹ bbls.....	31	4.9	3.9	2.9	20	50	33
Platinum group ^m	429×10 ⁶ troy oz.....	130	4.5	3.8	3.1	47	85	31
Silver.....	5.5×10 ⁸ troy oz.....	16	4.0	2.7	1.5	13	42	26
Tin.....	4.3×10 ⁸ long tons.....	17	2.3	1.1	0	15	61	24
Tungsten.....	2.9×10 ⁸ lbs.....	40	2.9	2.5	2.1	28	72	22
Zinc.....	123×10 ⁸ tons.....	23	3.3	2.9	2.5	18	50	26

* Source: U.S. Bureau of Mines, "Mineral Facts and Problems, 1970" (Washington, D.C.: Government Printing Office, 1970).
^b The number of years known global reserves will last at current global consumption. Calculated by dividing known reserves (column 2) by the current annual consumption (U.S. Bureau of Mines, "Mineral Facts and Problems, 1970").
^c Source: U.S. Bureau of Mines, "Mineral Facts and Problems, 1970."
^d The number of years known global reserves will last with consumption growing exponentially at the average annual rate of growth. Calculated by the formula exponential index = ln((r+s)+1)/r; where r = average rate of growth from column 4, s = static index from column 3.
^e The number of years that 5 times known global reserves will last with consumption growing exponentially at the average annual rate of growth. Calculated from the above formula with 5s in place of s.
^f Source: U.S. Bureau of Mines, "Mineral Facts and Problems, 1970."
^g Source: U.N. Department of Economic and Social Affairs, "Statistical Yearbook 1969" (New York: United Nations, 1970).
^h Sources: "Yearbook of the American Bureau of Metal Statistics 1970" (York, Pa.: Maple

Press, 1970). "World Petroleum Report" (New York: Mona Palmer Publishing, 1968). U.N. Economic Commission for Europe, "The World Market for Iron Ore" (New York: United Nations, 1968). U.S. Bureau of Mines, "Mineral Facts and Problems, 1970."
ⁱ Source: U.S. Bureau of Mines, "Mineral Facts and Problems, 1970."
^j Bauxite expressed in aluminum equivalent.
^k U.S. Bureau of Mines contingency forecasts, based on assumptions that coal will be used to synthesize gas and liquid fuels.
^l Includes U.S. Bureau of Mines estimates of gold demand for hoarding.
^m The platinum group metals are platinum, palladium, iridium, osmium, rhodium, and ruthenium.
ⁿ Source: Meadows, Donella H. and Dennis L., Randers, Jorgen, and Behrens III, William W. The Limits to Growth: A Report for the Club of Rome's Project on the Prediction of Mankind. New York, Universe Books, 1972.
Additional sources: P. T. Flawn, "Mineral Resources" (Skokie, Ill.: Rand McNally, 1966). "Metal Statistics" (Somerset, N.J.: American Metal Market Company, 1970). U.S. Bureau of Mines, "Commodity Data Summary" (Washington, D.C.: Government Printing Office, January 1, 1971).

UNEQUAL UTILITY RATE STRUCTURE

Mr. METCALF, Mr. President, residential consumers continue to subsidize large industries through a utility rate structure which encourages waste of electricity, despite the energy shortage.

The average residential rate of the large investor-owned utilities is 2.42 cents per kilowatt-hour, more than twice the average industrial rate of 1.16 cents per kilowatt-hour.

The average commercial rate, 2.29 cents per kilowatt-hour, is only slightly less than the residential average, and the overall average is 1.86 cents per kilowatt-hour.

These 1972 averages, as compiled and provided to me by the Federal Power

Commission from the reports to it by the utilities themselves, can be compared with similar 1970 data which I inserted in the CONGRESSIONAL RECORD on July 6, 1972. The comparison shows that the residential average has increased from 2.22 to 2.42 cents per kilowatt-hour, the industrial average from 1.02 to 1.16 cents per kilowatt-hour, the commercial average from 2.08 to 2.29 cents per kilowatt-hour and the overall average from 1.67 to 1.85 cents per kilowatt-hour.

A review of the 1972 data shows that several utilities and their State regulatory commissions have instituted a rate structure that is relatively equal.

Granite State Electric Co. in New Hampshire, for example, has an average rate of 2.7 cents per kilowatt-hour. The averages for residential, commercial, and

industrial customers are, respectively, 2.9, 2.34, and 2.3 cents per kilowatt-hour.

Kingsport Power Co. of Tennessee has an average rate of 1.26 cents per kilowatt-hour. The averages for residential, commercial, and industrial customers are, respectively, 1.3, 1.7, and 1 cent per kilowatt-hour.

Potomac Edison of Pennsylvania has an average rate of 2.18 cents per kilowatt-hour. There the averages for residential, commercial, and industrial customers are, respectively, 2.02, 1.56, and 2 cents per kilowatt-hour.

In contrast, a number of the large energy systems charge residential consumers, on the average, two and a half or three times as much as they charge industries. They include the following companies:

Company and State	Residential	Commercial	Industrial	Overall average	Company and State	Residential	Commercial	Industrial	Overall average
Gulf States, Louisiana	2.23	1.96	0.75	1.19	Portland General Electric, Oregon	1.24	1.27	0.46	1.02
New Orleans Public Service, Louisiana	2.02	1.78	.85	1.62	Central Power & Light-Texas, Texas	2.26	2.04	.83	1.50
Potomac Edison of Maryland, Maryland	2.08	1.92	.82	1.26	Community Public Service, Texas	2.15	2.14	.73	1.53
Montana Power, Montana	2.25	2.04	.75	1.37	Houston Lighting & Power, Texas	1.80	1.66	.71	1.13
Idaho Power, Idaho	1.73	1.41	.55	1.08					

Mr. METCALF. Mr. President, these figures show why residential consumers provide approximately 37 percent of the revenue for the large utilities, even though they buy only about 26 percent of the electricity. The large industrial users buy about 35 percent of the electricity, but pay only about 23 percent of the bill. This disparity prevails despite the fact that cost of service to residential customers is frequently low in urban areas.

Because of the declining block rate structure commonly used, the people who use the least electricity, who are usually those least able to pay, are often required to pay 3 times as much or more, per unit of electricity, as the large industries which are generally favored by the present rate structure.

In a number of States consideration is being given to the "lifeline" rate which would reduce this inequity. A typical "lifeline" rate, which is of special importance to retired persons and others of very limited means, would provide 400 kilowatt-hours of electricity a month for \$10. Surely this idea deserves more consideration than has so far been reflected in rate structures. The idea is gathering momentum. It deserves encouragement, support, and most importantly, advocacy before the State commissions which regulate retail rates.

One useful new tool for persons and organizations who wish to present this and other issues to the regulatory commissions is the 106-page booklet, "How to Challenge Your Local Electric Utility: A Citizens Guide to the Power Industry," written by Richard Morgan and Sandra Jerabek. It is published by the Environmental Action Foundation, 720 Dupont Circle Building, Washington, D.C. 20036.

The new publication "Peoples Energy," published by the Movement for Peoples Power, 1520 New Hampshire Avenue NW., Washington, D.C., carried articles on "lifeline" rate and other issues before regulatory commissions in its first issue. And the Citizen Action Group at 133 C Street SE., Washington, D.C.—one of Ralph Nader's groups—has developed a paper on the "lifeline" rate.

In the belief that these materials may be of use to Members and to their constituents who are active in this area, I ask unanimous consent to print in the Record the April 26 letter to me from Chairman John Nassikas of the FPC, the comparison of average costs of electricity, by class of service, which accompanied his letter and the articles in "Peoples Energy."

There being no objection, the material was ordered to be printed in the Record, as follows:

FEDERAL POWER COMMISSION,
Washington, D.C., April 26, 1974.

HON. LEE METCALF,
U.S. Senate,
Washington, D.C.

DEAR SENATOR METCALF: This is in further response to your letter of April 10, 1974, requesting a comparison of residential, commercial and industrial power rates of major electric utilities.

Transmitted herewith, in accordance with your request, are the average costs per kilowatt-hour for residential, commercial and industrial retail service for Class A and B electric utilities for 1972. The average cost per kilowatt-hour for all categories is also provided for each utility. The national average for each category may be found at the end of the computer run.

Sincerely,

JOHN N. NASSIKAS, Chairman.

UTILITIES—GROUPS OPPOSE NEW POWER PLANTS

As their growth strains our country's resources, the electric utilities find themselves facing determined citizen opposition almost everytime they announce a new power plant or transmission line. Citizens are angry because they must pay the high economic and environmental costs of the new plants and lines, while the utilities are responsible, at least in part, for creating the need for these facilities through their aggressive promotional efforts. Citizens' organizations in many states are now working to gain better pollution controls included in the design of new facilities and trying to stop new plants by showing that the extra power is not needed in their communities.

Struggles against new power facilities are going on in Arkansas, Georgia, Illinois, Iowa, Michigan, Montana, Nebraska, North Dakota, Ohio, Pennsylvania, Virginia, Wyoming and many other states. On March 6, Citizens for a Better Environment (CBE) filed a complaint with the Illinois Pollution Control Board, charging Commonwealth Edison with operating its 765 kilovolt transmission line without a permit; the group alleges that the permit is necessary because such lines are a potentially serious source of air pollution. CBE is also attempting to block the construction of nuclear reactors by thwarting their financing. Earlier this year, the group petitioned the Illinois Commerce Commission, demanding that it deny certification of Comm. Ed.'s latest stock offering because the proceeds would be used to finance unsafe nuclear power reactors. The Commission refused, and CBE has taken the case to Federal Court.

Elsewhere, similar battles are being fought. In Virginia, 2,000 people signed up to speak at a State Corporation Commission hearing in March on the proposed routing of an extra-high-voltage line across Bedford County and the Blue Ridge. In the Northern Great Plains region, the Sierra Club is opposing or monitoring a total of 15 new power plants planned for that area. Much of the power from this new capacity would be shipped out of state to points East and West. And in Ohio, a landmark victory was won recently by citizens against the Cleveland Electric Illuminating Company's plan to route nine miles of transmission line across a park and preserve. The

judge in the case ruled that the public's enjoyment of natural beauty in a state park is more important than an electric company's power of eminent domain.

Citizens in Arkansas battling a huge coal burning plant proposed by Arkansas Power and Light (AP&L) have utilized some striking tactics. The Arkansas Community Organizations for Reform Now (ACORN) has already successfully challenged the environmental impact statement for the plant as deficient on more than 150 counts. The group is still asking AP&L to reverse its refusal to install sulfur controls on the plant. During its campaign, ACORN has asked that AP&L put up a "utility deposit in reverse" to cover possible damages to farmers' crops from the plant's emissions. The citizens' group has also called on Harvard University to exercise its duty as the single largest shareholder in Middle South Utilities, the holding company which owns AP&L. The response at Harvard has been good, and ACORN has also picked up a good deal of support for its proposals in its own state, including endorsements by the Attorney General and the Governor.

The hazards and problems associated with very high voltage transmission are detailed in Louise Young's book "Power Over People" (Oxford University Press, 1973). In addition, the Environmental Action Foundation, 1346 Conn. Ave. NW, Washington D.C. 20036, can direct people to information in aid to them in opposing new plants and lines.

CONSUMERS REBEL AGAINST RISING ELECTRIC RATES

The nation's 200 large electric utilities are faced with a rebellion by their customers. These companies which have quietly enjoyed excess profits and monopoly markets for decades are now faced with a serious threat due to the rising costs of generating electricity. Most of these 200 utilities will be applying for large rate increases in 1974 and most of them will be returning to their state regulatory commissions for more next year. Consumers who hardly ever saw a utility rate increase until the late '60's are wondering why the cost of electricity is suddenly rising faster than practically everything else. In the next few years, the electric utility industry will experience a consumer revolt that will dwarf last year's meat boycott. Not only are the power companies' excess profits at stake; the right of the private corporations to make profits from providing a public necessity will be seriously questioned.

On February 5, 100 people joined a rally at the California Public Service Commission, demonstrating their opposition to a Pacific Gas and Electric rate increase. In the next few weeks, hundreds of people turned out for rallies in Providence, Rhode Island, protesting Narragansett Electric's rate increase. In March, 600 angry customers of Consolidated Edison attended a New York Public Service Commission hearing on Con Ed's latest rate increase proposal.

It's no wonder consumers are getting upset. Some utility customers have seen their electric bills rise up to 88% in one year. In some cases, owners of all electric homes are paying monthly bills of over \$400. Many consumers are simply refusing to pay their