

SOUTHERN CALIFORNIA EDISON COMPANY LTD.

VISALIA, CALIFORNIA

A. T. LAWSON

DIVISION MANAGER, SAN JOAQUIN VALLEY

April 10, 1947

Mr. Click Relander
Vogue Courts
Route 6 Box 3
Yakima, Washington

Dear Click:

I wish to apologize for the delay in answering your letter of March 27, 1947, which, by the way, I was very happy to receive. On numerous occasions I have wondered what had become of you and I am pleased to learn that you are getting "up in the world".

In answer to your questions regarding attached clippings, first let me say that Mr. Phillips retired from Company service on June 1, 1946. Les Quinby came to Visalia as District Manager and I assumed Mr. Phillips former position of Division Manager (now you are up to date).

The clipping regarding public power in Nebraska is, to me, typical of the press releases of the Rural Electrification Administration (REA), a division of the Department of the Interior which is generally associated with the Bureau of Reclamation. Many of the statements in this particular article are erroneous. The State of Nebraska under the dictatorship of their late Senator George W. Norris, has, it seems to me, been selected as a guinea pig.

Senator Norris was one of the original group favoring the Federal Government going into the electrical power business and this group was instrumental in the formation of the Tennessee Valley Authority (TVA). This institution has always been held up by public ownership advocates as a "yard stick". These enthusiasts generally have no personal experience in the operation of an electrical power generating, transmission, and/or distribution system and they are reluctant to publish all of the facts of the operations of the TVA and similar enterprises. They never mention the deficiency appropriations which have, from time to time, been necessary. They never mention the comparable value of products of the area served by TVA and those of the area which they hope to convert. They take no cognizance of the type of soil, methods of farming, density of population, adequacy of present service facilities, and many many other items which must be considered in a thorough and unbiased study of the proposition.

In spite of all the smoke screen that has been created by advocates of public ownership, I personally do not know of a single instance where the rates charged by my own Company would compare unfavorably with those in effect on a publicly owned system if the amount of money paid in taxes by our Company to the Municipal, County, State, and Federal Governments was deducted from our total operating expenses and offered in the form of a rate reduction to our customers.

Local conditions and tax rates would no doubt cause varied results if this formula was applied, but I am firmly convinced that in most cases, the customer of the power

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company would receive a lower bill for service from his present source than would be possible under a politically owned service which was required to be entirely self-supporting.

One of the most outstanding examples I know of a public utility operated by the Government is the United States Postoffice. This institution renders service to all of the people and without question is entirely owned, operated, and controlled by the Federal Government and maned by employees who, for the most part, are selected according to Civil Service requirements. I believe that you will find there have been very few, if any, sessions of the United States Congress during which one or more deficiency appropriations for the Postal Department have not been requested.

I believe that an inquiry addressed to the Library of Congress would bring you this information directly from the "feed trough".

I believe that you could render a considerable service to the area served by your newspapers if you would take the trouble to request from the Federal Government some of the reports and records which are available regarding operation of public power enterprises under Federal control and a record of the deficiency appropriations voted by Congress since the institution of the first of these large projects -- namely, the TVA.

As you have doubtless decided by this time, I could rave on for days on this subject. I wish to take this opportunity to point out, however, that individual power companies operated under the regulations of their various State Utility Control Boards, Commissions, etc. and under the "eagle eye" of the Federal Power Commission, are not in a position to employ a staff of expert publicity agents at high salaries whose time can be, and is, devoted to contacting newspapers, radio stations, and general publicity outlets bring stories reputed to have a great news interest, which are, for the most part, pure and unadulterated propoganda to promote the Government in business and advocate the employment of more and more people on Government salaries at taxpayers expense and in many instances providing larger "pork barrels" for politicians to roll around their various baliwicks.

I hope this ranbling document may be of some value to you in channeling your thinking in the direction of a continued support of the free enterprise system and American way of doing business. I wish to offer my congratulations on your new job and hope for your continued success in the newspaper profession.

Yours very truly,

A. T. Lawson

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