CITIZENS UTILITY BOARD

THE BEAR FACTS

The Citizens' Utility Board of Oregon newsletter for members and friends

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What's Inside?

Welcome to the special 5th anniversary edition of The Bear Facts! Five years ago this Spring, after winning the November 1984 election, the CUB interim Board of Governors took office and CUB started to work and to grow. Now, we present to our members and friends some history along with the current events.

To help fund this expanded edition, we sought advertising from businesses and political candidates, and we wish to thank our advertisers. Happy reading!

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The Bear Facts

CUB is an independent non-profit organization established by Oregon voters in 1984. CUB is funded by voluntary membership contributions.

CUB represents the interests of consumers of the regulated utilities – gas, electricity and telephone – through participation in hearings and ratemaking proceedings before the Public Utility Commission and the Oregon state legislature.

***The Bear Facts* is the bi-monthly newsletter of the Citizens' Utility Board of Oregon.**

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Staff, Board enters new season

By Laura Olson

We read in Ecclesiastes "To every thing there is a Season, and a time to every purpose under the heaven...". And at CUB as we observe our entry into our sixth year of working for consumers, these words in part apply to the women and men who have served energetically as board members or as creative members of our small, hard-working staff.

Board terms expire. Staff members find new challenges elsewhere. The "season" is changing. CUB owes a great deal to the men and women who have nurtured it during these important, formative years. At this time I want to write specifically of four individuals who are leaving or have left this year.

Membership which started at 5,000 when Bob Ackerman of Springfield and Mavis McCormic of Keno joined the CUB board, has grown to more than 20,000 paid members.

Bob's interventions before the PUC on behalf of CUB consumers in regards to utility proposed rate increases or expansion have benefited each of us. Rate increases were examined, sometimes denied or significantly reduced, and expansions carefully reviewed. His work defeating WPPSS is a part of environmental history. This man has given many hundreds of hours of legal service, all pro bono (free). Fortunately for us all Bob intends to continue as an intervenor after his term term on the Board expires this Summer. We welcome his decision to continue the active intervenor battle.

Down in southern Oregon, Mavis McCormic has served as the eyes and ears of consumers on the issues of conservation and energy efficiency, air quality, water policy, solar energy, transmission line safety, and the development of non-polluting sustainable energy sources. Her background in physics, engineering and research uniquely qualified Mavis for CUB Board service.

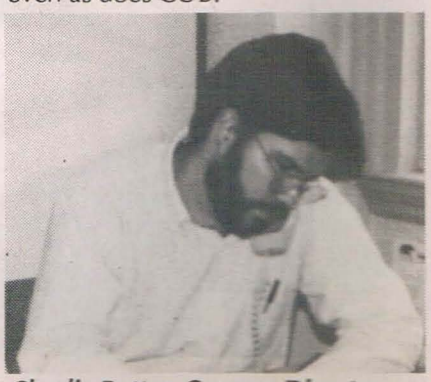
Mavis, after a distinguished teaching and research career, and after working with many organizations in Klamath County, has decided to run for the Oregon state Legislature. We will miss her contributions as a Board member, though we know that her interest in CUB's work will continue.

And by now, many of you have learned that our innovative Executive Director, Barbara Head, will be leaving CUB in late May. She has been the glue which has held the organization together in these formative years, the teacher and guide for new Board members, often the spokesperson for CUB when private utilities took actions CUB felt adversely affected consumers. Perceptive, alert, jack-of-all-trades, knowledgeable, aware of the need to keep Board members well-informed, and a patient instructor, Barbara will renew her "batteries" this summer in Eastern Europe. It is fair to say that CUB's growth owes much to this woman. She, too, will be around to help when she returns to Oregon.

And we will be seeing some changes in our canvass. Charlie Potter who has directed the Canvass staff and our telephone membership renewal program for the past year will be leaving soon to get a Master's degree in Education at Lewis and Clark College. Charlie is a fine teacher. He'll do well in his chosen profession, as he has done for CUB. Our membership has grown significantly because of his efforts and those of his able lieutenant Jim Hilton.

So, in the lives of four people, the active, current CUB chapter ends. They move forward to new challenges, even as does CUB.

Barbara Head, Executive Director



Charlie Potter, Canvass Director

Grassroots action creates successful CUB

by Bobbie Carrie

Just over five years ago the Citizens Utility Board (CUB) was created when Oregonians passed a ballot measure to represent and protect the interests of Oregon consumers on energy and telecommunications issues. The state Public Utility Commission (PUC) at that time consisted of one member who was appointed by the governor and who, more often than not, favored the utilities rather than the public in setting rates.

The grassroots campaign to create CUB began long before Oregonians went to the polls in November of 1984, however.

Ralph Nader, considered by many to be the father of citizen activism and consumer advocacy, had formulated the concept of citizens' utility boards to serve as a watchdog and to protect consumers in utility rate-setting cases. The energy crisis of the early seventies and the impending breakup of AT&T in January 1984 further spurred public action. Across the country communities recognized that utility rates were becoming a significant economic concern and that representation was needed to make the rate-making process fair and accountable to all consumers.

Oregon joined this momentum when the Oregon State Public Interest Research Group (OSPIRG) recruited Kerry Barnett, who had worked with Ralph Nader's organization in Washington, D.C. on similar issues, to manage the signature gathering phase of the Oregon initiative campaign to establish the Citizens' Utility Board by ballot measure.

"At the time there was a lot of sensitivity on the part of the public concerning utility rates. People were very responsive to the idea of consumer advocacy - very supportive," recalls Barnett.

He adds, "OSPIRG clearly played a leading role in the campaign, but lots and lots of Oregonians joined the grassroots movement." In fact, over 630,000 Oregonians voted to create CUB, the first, and only Citizens' Utility Board created through a ballot initiative. This victory came in spite of an intense and expensive media blitz launched by the utility companies to sway voters against CUB.

Rhys Scholes, who managed the second half of the campaign through the November 1984 election remembers this as "One of the most exciting experiences of my life - we ran a low-budget, grassroots campaign and went against the investor-owned utility companies, and won!" He believes that the large number of volunteers, "over 200," he estimates, and the identification of the opposition's ad campaign as being backed by the utility companies were the primary factors in the victory for CUB. "The utility companies hired a California ad agency which developed the slogan 'Vote No, It's a boondoggle' regarding CUB. We turned their slogan around asking 'Where's the boondoggle?' They misjudged the independence and intelligence of the Oregon voters." Adds Scholes, "The ratio of our budget to their budget shows that democracy is still at work." (The CUB campaign was outspent 40 to 1 by the utilities.)

The utilities misjudged the independence and intelligence of the Oregon voters

The impact of the CUB victory on the utility companies soon became obvious when CUB supporters threatened to start another initiative campaign for an elected three-member PUC to replace the appointed, and utility-friendly, one-member PUC. Utility lobbyists quickly agreed to a three-member commission, provided it was appointed by the governor rather than elected. The following year, newly-elected Governor Goldschmidt appointed Paul Cook, Charles Davis, and Nancy Ryles as Oregon's first three-member PUC.

The ballot measure to create CUB was approved in November 1984 and in March 1985 Governor Atiyeh appointed a nine-member Interim Board of Governors for CUB. This Interim Board was given the tasks of expanding the plans in the CUB Act and with making preparations for the election of a 15-member Board when CUB membership reached the required 5,000 members.

The ballot measure did not appropriate any money for CUB nor did the Interim Board request any funds from the 1985 legislature because the voters had stipulated that CUB, as an independent, nonprofit corporation, could use utility billing envelopes up to six times each year, only reimbursing utilities for postage of materials weighing more than 0.4 ounces. This was felt to be the most efficient and effective way to reach ratepayers.

This right to be included in billing inserts was challenged by a group of three utilities in the Federal District Court of Oregon on First Amendment grounds. The judge found for the utility plaintiffs in September 1985, so CUB's access to their billings was temporarily blocked.

As a result of this, the Interim Board was forced to look for membership in a number of ways: distribution of CUB materials by volunteers, direct mail solicitation and use of other agencies' mailing lists, free newspaper inserts and advertising, news releases, press conferences and appearances on television and radio, waiver of the $5.00 minimum membership fee to those who could not afford it, and designation of November 1985 as "Join CUB Month." According to the Interim Board's 1986 report, "When the Board met for the first time its only assets were the hopes and energies of CUB's supporters." They reached the membership goal of 5,000 in January 1986.

By June 1986 the Interim Board had operated for 15 months, had accomplished the tasks given them, had intervened in several rate cases, and had prepared a packet of recommended legislative reforms to give to the newly-elected CUB Board of Governors. (cont. on p. 4)

CUB suffered a funding setback when the Supreme Court ruled in favor of a California utility company in which a consumer group sought access to a utility company's billings. The precedent of this Supreme Court decision was "disappointing" according to then-CUB director Eric Stachon. At that time Stachon said CUB would evaluate other sources of funding. Because of the potential cost of further appeals the new Board voted to drop CUB's appeal on the billing enclosures in July 1986.

In the fall of 1987 a canvass program was initiated to provide new members and revenue. Even with the success of the canvass efforts, CUB has had to choose carefully in which rate cases to represent ratepayers.

"We've had limited financial resources," says Barbara Head, Executive Director of CUB since 1986, "and it is costly to fight legal battles against the utility companies." In spite of this, CUB has a history of successful outcomes.

CUB's current membership stands at 20,000 and Head estimates that $318 has been returned to Oregon ratepayers in CUB cases for every dollar paid by its members.

Much of the success of CUB is due to its continued spirit of volunteerism. "CUB is a living example of how much can get done on very little money when people care and are active," says Head. Volunteers have contributed to CUB since its inception. Those who have volunteered and continue to lend their time and expertise include the Interim Board of Governors, the Board of Governors, accountants, attorneys, consultants, lobbyists, and office volunteers who work on mailings, publications, data entry, legal research, phone banks, and graphic design.

As for the future, Barnett states, "There may be fewer headlines now, but people are still interested and concerned. Economic and environmental issues are very important. For example, this region may experience a serious electricity shortage in the future."

CUB's past effectiveness in helping keep the utility rate-making process fair and accountable and its future investment in sound energy planning are important reasons to resolve the funding issues which have plagued CUB.

"Oregon is one of a handful of states that does not have a funded consumer representation program in utility rate cases," says Head. "Most states fund consumer representation through the state general fund or by an assessment on utilities."

CUB is a living example of how much can get done with very little money when people care and are active.

CUB has tried to win legislative passage of a bill that would allow the Public Utility Commission to provide reimbursement of expenses for groups that make a significant contribution to rate cases. All three Public Utility Commissioners strongly supported CUB's intervenor funding bill last session and testified for it in both the House and the Senate. However, Oregon's powerful utility lobby has been effective in killing the bill each time it has been proposed.

"Intervenor funding is necessary to expand the number of utility cases we can take on in the future so that CUB can better serve Oregon ratepayers," says Head.

Adequate funding will help CUB fulfill its mission to advocate forcefully and vigorously on consumers' behalf concerning all matters of utility public policy affecting their health, welfare and economic well-being.

CUB fights five years for phone fairness

By Charlie Potter

From 1985 until today, CUB has utilized the energy of our members, staff and attorneys to successfully challenge the power of Oregon's local telephone companies. CUB keeps constant vigilance over all facets of the regulatory process in order to identify the issues threatening the welfare of Oregon's telephone customers.

Attorneys for CUB have won major victories by producing expert testimony against telephone company claims and by exposing their mistreatment of the customers. Our members have become organized to show the PUC and the legislature what citizens really think about how the telephone companies treat them.

The results are conclusive: CUB works!

Rate Cases

In 1986 CUB showed the United Telephone company to be a financially healthy company and, therefore, not in need of their proposed $7.4 million rate increase.

In 1987 CUB attorneys Rion Bourgeois and Simon ffitch successfully argued before the PUC for a $45 million reduction in phone rates throughout Oregon, and a one-time refund of $11 million for Pacific NW Bell ratepayers. This resulted in CUB's largest telephone victory!

As a result of the case, US West, GTE, United and other smaller companies had to reduce their monthly rates by $2 per month. US West also had to refund about $14 to each customer. This was the first time in Oregon history that ratepayers received a refund check from a utility company! Since then, phone companies have not been able to raise their basic rate on our bills.

Phone companies have continued to be creative in their efforts to overcharge us, however. In 1988, CUB discovered that part of the US West reduction ordered by the PUC in 1987 had never been implemented. As a result of CUB's discovery ratepayers won a $10 million refund. CUB is fighting to preserve this refund in a court appeal filed by US West.

Telephone service policies

CUB was instrumental in the 1987 passage of the Lifeline legislation, which has helped thousands of low-income Oregonians maintain telephone service and hearing/speech impaired citizens obtain special equipment that allows them to communicate with others by telephone.

CUB also has been fighting since 1987 to establish fair service policies in other areas like deposits, time payment agreements, shut-offs, and credit checks. The PUC finished hearing CUB's testimony and official comments last year and is expected to hand down new service policy regulations this year.

Ratemaking

In 1988, CUB began opposing US West's proposed "Social Contract" which would radically change the way phone rates are set. Currently, phone companies must go through public hearings in order to get rate increases. In these hearings, the phone company has to prove to the PUC that it needs the rate increase. At the hearings, CUB, and the PUC staff has the chance to refute the utility company's claims. Under US West's new plan, they, and other phone companies who are waiting to request the same provisions, will be able to tie their rates to an inflation index.

The plan virtually guarantees that rates will go up every year, even if the company's cost of doing business is going down (which has been true for US West and other phone companies throughout the nation). The PUC heard CUB's case against Social Contract last summer and is expected to hand down the decision this year.

CUB is also fighting to maintain low rates for all residential ratepayers, despite a PUC staff proposal that would give substantial rate breaks to business customers. In the current US West rate case, the PUC staff favors giving a 36% rate cut to business customers and only a 4% rate cut to residential ratepayers. CUB has advocated that rate cuts be shared equally between business and residential ratepayers.

"CUB is concentrating on US West over other phone companies because they have been the most aggressive in ripping off ratepayers," said CUB Executive Director Barbara Head, "But the anti-consumer policies which US West advocates affect all telephone ratepayers."

Once a major policy decision is made by the PUC regarding one utility, that policy affects other utilities as well. "If US West succeeds in getting automatic annual rate increases, General (GTE), United, and Continental (ConTel) will get automatic rate increases too," said Head.

Interstate merger

Looking toward the future, CUB sees a danger in large monopolies in our state merging with large monopolies in other states to form vast conglomerates. While these conglomerates act on an interstate level, they can only be regulated on a statewide basis.

This problem came to light recently when CUB discovered in documents obtained in a court case that US West was involved in a revenue scam involving their highly lucrative Yellow pages directories. CUB attorney Rion Bourgeois said, "Documents show that it was a deliberate corporate plan to divert $25 million in revenue to stockholders. It's hard to keep track of these scams when it involves many states."

Legislative action

Where CUB needs extra help is in next year's legislative session. Rion Bourgeois has described US West's political power as reaching "obscene proportions." For example, in the 1987 session, US West gained an exemption only for themselves from a deferred accounting statute. The exemption allowed them to pocket $33 million in reduced tax costs. Other utilities had to use their tax savings to lower rates.

US West has also repeatedly threatened the PUC with legislative action if the company's wishes for a social contract plan are not adopted. CUB expects that US West will introduce bills that seek to deregulate local telephone service in the next legislative session.

It will be a top priority for CUB to counter such abuses of power in the 1991 session.

Struggle for rational energy policy continues

By Charlie Potter

CUB works to make sure that natural gas and electricity is provided to Oregonians at a fair price and that companies maintain policies that are safe for customers and for the environment.

Energy is not just a service, it is a necessity, especially during winter months. It is also controversial, whether it is because of the environment damage of coal and hydroelectric power, the safety hazards of nuclear power, or the feasibility of alternative energy sources such as solar and wind power.

Since 1985 CUB has demonstrated that a citizens group can successfully represent the interests of energy customers while making sure that the policies are not hazardous to the environment.

Rate Increases

In 1986 Northwest Natural Gas requested a $29 million rate increase at a time when the price it paid for natural gas was going down. By demonstrating their lack of need for increased rates before the Public Utility Commission (PUC), CUB forced Northwest Gas to drop their request.

CUB also successfully defeated an $8 million rate increase request by PP&L in 1986. Once again, CUB showed that the company was not in need of a rate increase.

More recently, CUB won a $37 million victory for ratepayers when CUB convinced the PUC last year that revenue collected by PGE to cover the costs of its Coalstrip #4 plant in Montana was unjustified. John Stephens, CUB's attorney, demonstrated that the plant was not "used and useful." CUB is fighting PGE's efforts to stop the $37 million refund through a court appeal.

Financial Diversions

CUB won its biggest victory to date in 1987 when the PUC ordered a $127 million rate reduction from PGE. The first part of the case involved PGE's sale of power to California from its Boardman coal plant in Eastern Oregon. PGE wanted all the profits from the sale to go to stockholders, but CUB was able to successfully argue that these profits belonged to ratepayers.

The second part involved CUB's discovery that PGE had used benefits from its investment tax credits to help cover their bad investment in a WPPSS nuclear plant. Again, these benefits rightfully belong to the ratepayers. In siding with CUB, the PUC called PGE's actions "reprehensible."

Mergers

In 1988 CUB challenged the merger of PP&L with the Utah Power and Light company on the grounds that Oregon was getting the short end of the deal. For example, in hearings to support the merger, PP&L promised Utah customers lower electric rates of between 2 and 10 percent, while in Oregon we were simply promised no rate increases for 5 years.

CUB argued that Oregon should see some of the benefits of reduced rates since it would be providing cheap surplus power to the Utah system. Unfortunately, the PUC approved the merger. CUB learned that a deal had been worked out between the PUC and PP&L even before the hearings took place, therefore not allowing the public to fully participate.

Safety

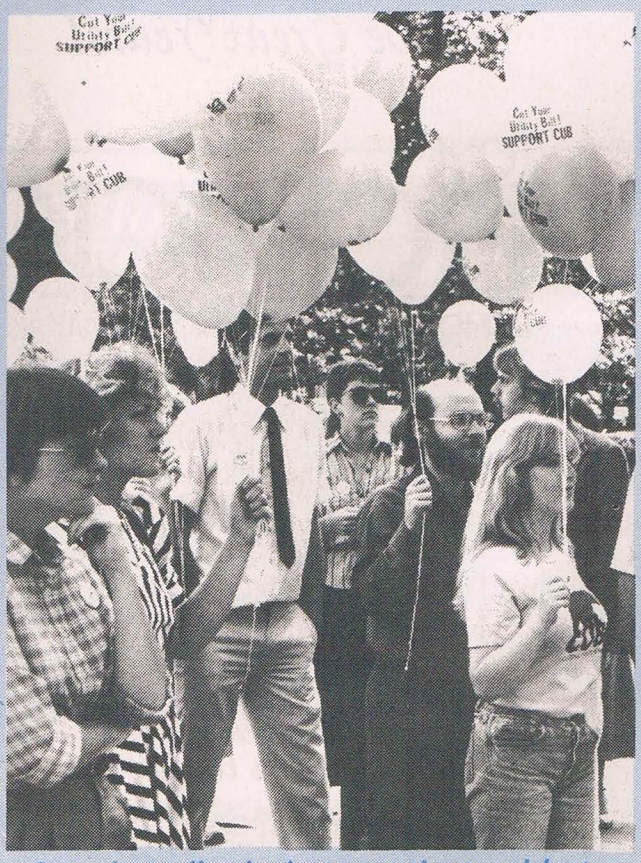
The CUB Board of Governors has endorsed a ballot measure which would close the Trojan nuclear plant until there is a federally licensed repository capable of accepting its high-level radioactive waste and until earthquake standards are met. The initiative failed at the polls in 1986 against a massive campaign by PGE.

Continued on page 12

The CUB campaign:

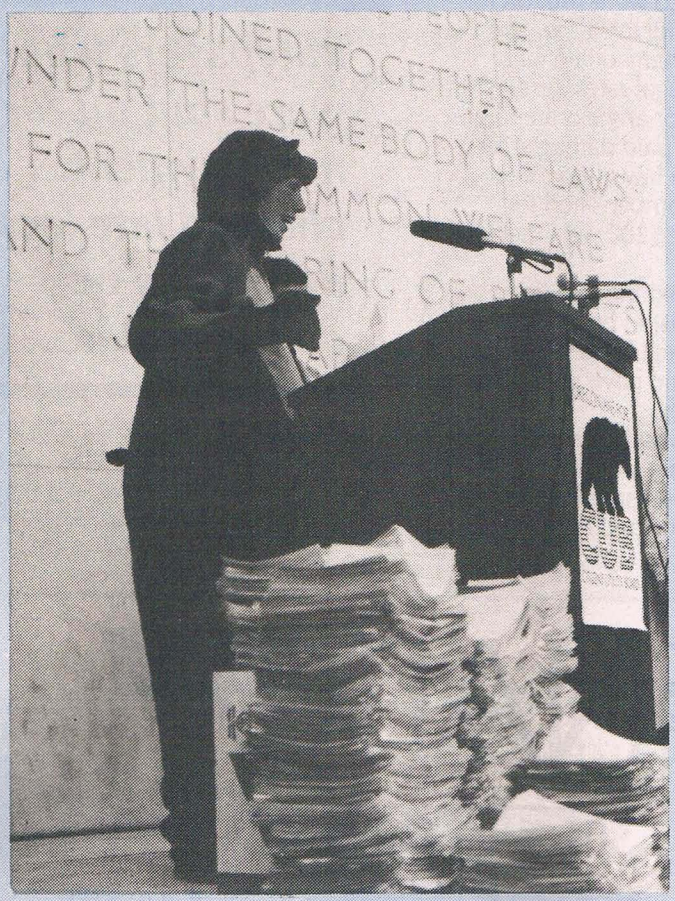
Campaign spokesperson Eric Stachon, senior advocate Ralph Frohwerk, a Chief Petitioners Tom Novick and Lillian Herzog prepare to deliver 90,0 CUB petition signatures to the Secretary of State.

Fed up with high utility rates, tens of thousands of Oregonians signed the petition to create the Citizens' Utility Board.

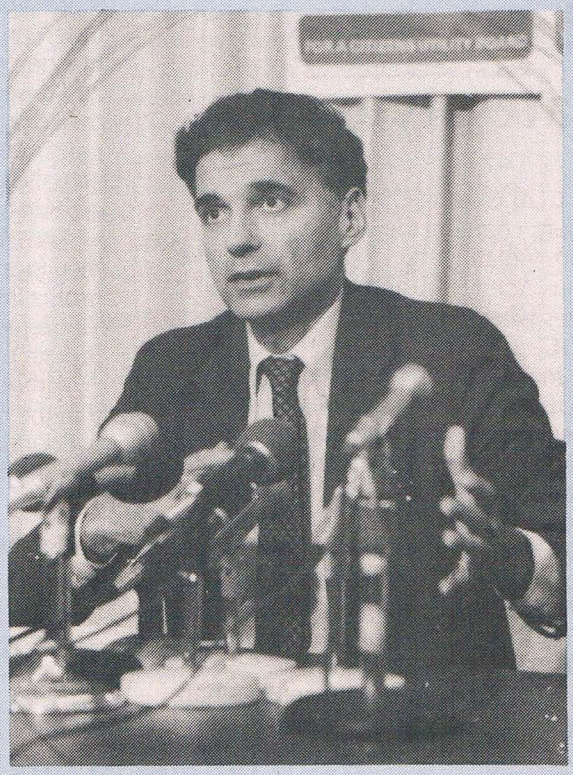


Campaign staff and volunteers gather to celebrate placing the CUB initiative on the ballot.

Consumers triumph!



CUB's mascot makes a special guest appearance at a rally on the Capitol steps to deliver signed petitions.



Ralph Nader speaks at an Oregon news conference to support the CUB initiative.

We Won! After months of hard work, CUB campaign staff and volunteers gather to celebrate their victory.

CUB sues US West for damage to ratepayers

CUB is suing US West in federal court, charging the phone company with violating the Unfair Debt Collections Act by refusing to reduce their rates when ordered to do so by the PUC.

In the lawsuit filed in early April, CUB has accused US West of charging illegal rates and contends that ratepayers are entitled to damages. US West was ordered by the PUC to cut their rates by 5 percent starting January 1, 1990, but the company refused to act upon the PUC's order. Since then, US West has been charging Oregon ratepayers $2 million per month over the PUC-approved rates.

CUB Economist Michael Sheehan explained that usually when a utility wants to appeal a rate decision, they immediately go to the court and ask for a stay of the PUC order to delay the rate cut until the court makes a decision on the appeal. "In this case," Sheehan said, "US West just kept on charging the illegal rates for three months before obtaining a stay from the court."

"Ratepayers who were shut off for non-payment during this time, and those who were charged late fees based on these illegal rates deserve to be compensated for any extra charges, and deserve to be paid damages for their trouble." The law allows each consumer to be compensated for actual damages or $200, whichever is greater.

The PUC ordered the rate cut when they found US West to be funneling profits into an unregulated subsidiary. These profits should have been used to reduce phone rates.

Although US West has maintained that the rate scheme was only an accounting misunderstanding between the phone company and the PUC, CUB has obtained the public release of documents which prove this was a deliberate scam advanced by US West to enrich their stockholders at ratepayers' expense. (See article on page 11.)

Ratepayers who were shut off for non-payment... or charged late fees deserve to be compensated...

CUB obtains release of secret US West documents

Documents reveal a corporate scheme to divert telephone company revenues to holding company coffers

In a recent development in US West's appeal of a PUC-ordered rate cut, CUB fought for and won release of many documents previously kept secret by US West.

Among the documents ordered opened to public inspection by Multnomah County Circuit Court Judge Robert Redding is a 1986 internal US West memo which outlines a scheme for diverting up to $30 million per year in yellow pages advertising profits from the telephone company's rate base. This diversion would increase Oregon phone rates by $30 million per year, and would enrich US West's stockholders by $30 million per year.

Highlights of this scheme include directions by US West officials to:

- ***Make up a "competitive story" to tell to state regulatory commissions to justify diverting yellow pages directory revenues from ratepayers to shareowners and minimize the possiblity of a response by the PUC;***
- ***Stagger the diversion of revenues over a five year period to avoid controversy or "rate shock";***
- ***Replace the revenues diverted from yellow pages advertising with increases in basic local telephone service rates; and***
- ***Implement the scheme simultaneously with corporate tax rate reductions to hide the diversion.***

The PUC discovered this scheme, and CUB fought in court to make the information public.

"We now have the information straight from the horse's mouth," said CUB Executive Director Barbara Head. "It is crystal clear that US West is engaged in a deliberate corporate scheme to rip off Oregon ratepayers to the tune of $30 million a year."

PGE asks for $89 million rate hike!

PGE angered Oregon ratepayers in March by asking the Public Utility Commission for a rate increase of $89 million per year to become effective on January 1, 1991.

CUB has intervened in this rate case to make sure that PGE customers pay fair rates for their electric service.

PGE contends that the bulk of the rate increase will go to pay for improved safety measures at the Trojan nuclear power plant. Other reasons PGE cites for the increase is an increase in property taxes, inflation, and plans to invest more in conservation programs.

CUB is still fighting PGE's last rate case which began in 1985. In 1987, CUB received a tremendous victory when the PUC ordered PGE to cut its rates by $126 million as a result of CUB's arguments. In addition, CUB appealed to the PUC for an additional $37 million refund for PGE ratepayers. Last summer the PUC ordered PGE to refund the money. PGE has been fighting this action in court ever since.

In February, PGE had to cut the dividend on shares for their stockholders. The timing of PGE's rate request seemed to be geared toward appeasing stockholders who are undoubtedly upset at the both the cut in their dividends and PGE's safety violations at Trojan. (Last summer, the Nuclear Regulatory Commission (NRC) fined PGE $280,000 for major safety violations. The NRC cited PGE for four more violations last month.)

"This promises to be another difficult rate case," said CUB Executive Director Barbara Head. "Not only will we be fighting PGE, but the large industrial customers will likely push for a rate break, forcing residential ratepayers to carry the burden. CUB will once again fight for fairness for the average consumer."

CUB History: Energy (cont.)

continued from page 7

This year the measure again has enough signatures to earn a place on the November ballot. However, this time supporters of the initiative believe the measure has a better chance of passing in the wake of the San Francisco earthquake and major safety violations at Trojan last year.

Conservation

CUB, along with the Solar Energy Association of Oregon and the Northwest Conservation Act Coalition, successfully argued that the PUC should adopt Least Cost Energy Planning. This policy forces energy companies to estimate the future energy needs of the region and come up with a plan to meet those needs. These plans must include the development of "least cost" energy resources in terms of cost to customers and impact on the environment.

This regulation is expected to promote conservation programs as the least expensive and least destructive way to expand our energy resources.

It is this sort of innovative approach to energy policy that CUB will continue to pursue in the years ahead.

BORN LOSER **By Art Sansom**

Pro-Consumer Legislators deserve your support

As the primary elections draw near, CUB would like to remind all of our members about the legislators who have supported CUB issues in the past.

We want to encourage you to vote for and, if possible, volunteer for the candidates who stand up for the underdog against the powerful utility lobby. We would also like to introduce our members to some new candidates who are CUB supporters running against anti-CUB opponents.

In the 1991 legislative session, CUB will once again be lobbying for passage of an intervenor funding bill. This bill would allow CUB and other consumer groups to be reimbursed for our expert witness expenses when we make a significant contribution to the outcome of a PUC rate case.

CUB will also be working for passage of other pro-consumer bills, and we expect to have to fight off anti-consumer telephone deregulation legislation.

"The make-up of the 1991 legislature will have a tremendous impact on utility consumers," said Board of Governors Chairperson Laura Olson. "It is very important that CUB members support pro-consumer candidates. If you volunteer on a campaign, let the candidate know you are a CUB member." (If you want a CUB button to wear when you volunteer, call the office at 227-1984 and we'll send you one.)

Please support the candidates who will represent your views on important consumer issues in Salem!

New, but familiar faces!

Two new candidates are running for the Oregon House of Representatives against anti-CUB incumbents. Although Mavis McCormic and Tom Novick are new candidates, they are familiar faces around CUB.

Mavis McCormic of Keno recently resigned from the CUB Board of Governors after 4 years of service to run for the legislature in House District 54, against incumbent Bob Pickard. District 54 includes portions of Deschutes and Klamath counties. Mavis has is a long-time advocate of energy conservation and thoughtful planning for the use of our natural resources.

Tom Novick is no stranger to CUB either. As Executive Director of the Oregon State Public Interest Research Group, (OSPIRG), Tom was chief petitioner for the initiative which put CUB on the ballot. Tom served on the CUB Board of Governors, and lobbied the legislature in support of intervenor funding in the 1987 and 1989 legislative sessions. Tom is running against anti-CUB incumbent Rodger Wehage in District 16 in Northeast Portland.

CUB Supporters Senate

The following Senators voted for intervenor funding in the last legislative session:

- Bill Bradbury
- Jane Cease
- Joyce Cohen
- Joan Dukes
- Wayne Fawbush
- Shirley Gold
- Jeannette Hamby
- Jim Hill
- Larry Hill
- Grattan Kerans
- John Kitzhaber
- Bill McCoy
- Frank Roberts
- Bob Shoemaker
- Dick Springer
- Cliff Trow
- Mae Yih

CUB supporters House of Representatives

The following Representatives voted for intervenor funding in the House Energy & Environment Committee:

- Ron Cease
- David Dix
- Carl Hosticka
- Phil Keisling

Although CUB's bill was defeated in the House committee, the following Representatives pledged their support to CUB:

- Beverly Stein
- Judy Bauman
- Ernie Calhoon
- Margaret Carter
- Sam Dominy
- Bill Dwyer
- Jim Edmundson
- Bruce Hugo
- Dave McTeague
- Nancy Peterson
- Hedy Rijken
- Jim Whitty

CUB opponents Senate

The following Senators voted against intervenor funding last session:

- John Brenneman
- Peter Brockman
- Jim Bunn
- Ron Grensky
- Peg Jolin
- Bill Kennemer
- Bob Kintigh
- Glenn Otto
- Paul Phillips
- Eugene Timms

CUB opponents House of Representatives

The following Representatives voted against CUB's intervenor funding bill in the House Energy & Environment Committee:

- Delna Jones
- Fred Parkinson
- Bob Pickard
- Roger Wehage

Board of Governors

The CUB Board of Governors is elected to represent you as a CUB member. The Board is comprised of three members from each of Oregon's five Congressional Districts. (Terms are staggered so that only one seat becomes vacant in each district.) Each candidate was invited to submit a candidate statement for publication. Please use the ballot on page 16 to vote for the candidate that will best represent your views.

Unfortunately, there are no candidates from district 2. If you live in district 2 and are interested on serving on the Board, call Barbara Head at 227-1984 for information. All CUB members are eligible to run for election to the Board.

Kirk Roberts

I am conpleting my first term as a CUB Board Member. As a self-employed general practice trial attorney, I have long been active in the issues of energy, environment and social justice.

My commitment/involvement with CUB is motivated primarily by my overriding concern: that the decision-making mechanisms/processes of our regulated utilities are structured to assure energy options which are sustainable, long-term and ecologically sound. This concern is primarily focused on utilities which supply electricity.

Since these utilities, historically, have not been responsible for environmental or social "cost" (impacts) of their decision making, society has had to deal with these negative impacts "after-the-fact". In particular, the utilities' emphasis on non-renewable and/or expensive/high risk resources, have created unwanted costs which often threaten our immediate health and our long term ecological viability.

As a Board Member, I have taken an active role in CUB's efforts to assure Least Cost Planning (LCP) by utilities. First, I have filed written comments with the Oregon Public Utility Commission (PUC), urging mandatory least cost planning by all utilities, so the resources required to produce electricity are those which provide the "least cost" (both in present acquisition and minimizing future negative side effects) to society. Second, after the PUC did adopt LCP as a mandatory planning tool, I attended utility planning sessions and workshops to determine ways of implementing least cost planning and I filed additional written comment with the PUC, documenting CUB's support for a tough, no nonsense rate review of LCP. Specifically, CUB strongly endorsed providing financial incentives and disincentives to utilities through the rate-setting process. Thus, where utilities are not actively pursuing the switch to least cost resources, particularly conservation resources, they should expect their periodic rate increase requests to be denied.

I ask for your vote so I may continue working on the CUB Board of Governors, and encourage CUB's involvement: 1) in implementation of least cost planning, and 2) as Oregon's "Watch-dog" on the utilities and the PUC.

S.W. Portland
1st Congressional District

Kit Draham

Newberg, 1st Congressional District

No candidate statement submitted.

Jane Netboy

N.W. Portland, 1st Congressional District

No candidate statement submitted.

Margot Beutler

As chair of CUB's Legislative Committee during 1989, I worked closely with many people to ensure that the consumers' point of view was not drowned out by the big money and hired guns of the utility lobby. I'm running for re-election as a CUB board member from District 3 so I can continue this critical legislative work. During the 1990 elections, I'll also be urging CUB members to vote for candidates who will use their office to help save consumers money, and to vote against those whose loyalty lies with the utility companies. I'm also asking for your vote in my re-election campaign as a CUB board member. With your support, I can continue CUB's campaign to make the Legislature responsive to the voters, not to the special interests.

N.E. Portland
3rd Congressional District

Joseph Lidrich

I want to serve my community as a private citizen on the board.

I am a skilled craftsman but I have a PhD in Zoology with recognized teaching and research accomplishments in the natural sciences. I have served as a board member of the Burnside Community Council and have been active in neighborhood affairs.

I have demonstrated skills in organizing, making meetings work, and follow thru.

N.E. Portland
3rd Congressional District

John-Erik Nilsson

I came to Eugene in 1959 from Sweden, although I was born and raised in Finland. I became naturalized in 1964. I have been married to Coral since 1962 and have two grown sons: Erik, who is married and lives in Portland, and Sven, a Senior at the University of Oregon. I graduated from Oregon State University in 1976 with a BS degree in Industrial Education. I started Master Machine & Mfg., a job shop machine shop, in 1978.

I have been active in the Democratic Party since about 1970, a precinct committeeman since 1972. I was active for a time in the Cal Young Neighborhood Association and in the Eugene Future Power Committee in the early 1970's. I am currently serving on the Lane County Solid Waste Advisory Committee and the Lane Community College Machine Technology Advisory Board. I have been very much concerned about electric power issues since the utility bosses started to advocate nuclear power for this region in the 1960's. Also the breakup of A.T. & T., I feel went much

Candidates seek your vote

different from what was originally intended and consequently we, the telephone users, have been getting a raw deal. C.U.B. of Oregon has done a great job trying to keep utility and telephone rates affordable and I would like to do my part in that effort.

Eugene
4th Congressional District

Lloyd Marbet

For 17 years I have worked as a full time environmental and consumer activist. From 1973 to 1982 I appeared in front of the US Nuclear Regulatory Commission and the Oregon Energy Facility Siting Council in opposition to the Pebble Springs Nuclear Plants; and from 1976 to 1984 in opposition to Skagit Nuclear Plants. I have also appeared before the Public Utility Commission (PUC) in opposition to numerous rate increases proposed by Portland General Electric. I have served on the Citizens' Utility Board's Board of Governors for four years and am seeking to represent consumer and environmental interests on CUB for another four years. As a board member I have taken my responsibilities seriously and have worked diligently to protect Oregon ratepayers.

CUB continues to face significant challenges in the years to come. It has gained an admirable record on behalf of consumers in both telecommunications and electric utility proceedings. But it had not been without tremendous costs to its resources, both financially and from those who have given their time. The unpaid, and in many instances unrecognized, contribution of CUB's board members and volunteer staff is living testimony to the sacrifice being made to keep this organization alive. No other party before the PUC has given so much of itself with so little resources and yet makes such a significant contribution. It is a matter of heart but it is becoming more and more a need for greater financial and public support if it is to continue to survive.

A law supporting intervenor funding needs to pass the legislature. You as CUB constituents need to demand greater accountability from your elected representatives, and finally, we need to work on shaping a future in which utilities serve the interests of the people and the environment, not themselves. You can reach me at 637-3549.

Boring
5th Congressional District

VOTE — VOTE — VOTE — VOTE — VOTE — VOTE — VOTE

Congressional District Guide

CUB's districts are the same as the Congressional districts. Here's a chart to help you find your district number.

Les AuCoin 1
Bob Smith 2
Ron Wyden 3
Peter DeFazio 4
Denny Smith 5

CUB Board of Governors

District 1

Kirk Roberts
516 SW College
Portland, OR 97201
223-9766

Judy Schilling
Route 1, Box 269
Gaston, OR 97119
648-6646

Terry Chadwick
134 1/2 NW 21st
Portland, OR 97209
725-3246

District 2

Nancy Helget
1535 Alexander Pl. NE
Pendleton, OR 97801
276-4351

John Hodges, Sr.
711 Hillside Ave.
Klamath Falls, OR 97601
882-2767

District 3

Kathy Weaver
3234 SE 24th
Portland, OR 97202
239-7695

Margot Beutler
2165 NE Hancock
Portland, OR 97212
282-0285

Dave Allen
1625 SE 25th
Portland, OR 97214
228-9561

District 4

Bob Ackerman
870 West Centennial
Springfield, OR 97477
746-6573

Laura Olson
45014 McKenzie Hwy.
Leaburg, OR 97489
896-3298

District 5

Ed Epley
3053 NW Harrison
Corvallis, OR 97330
752-3152

Lloyd Marbet
19142 S. Bakers Ferry
Boring, OR 97009
637-3549

Steve Gorham
341 State St.
Salem, OR 97301
364-6494

Martin Fisk
330 NW 32nd St.
Corvallis, OR 97330
737-2296

CUB Board of Governors Ballot

Please follow these instructions when casting your ballot:

- Vote for one candidate only
- Vote for a candidate from the Congressional District in which you live. (See table on this page.)
- Cut out the ballot along the dotted line, making sure that your ballot includes your mailing label so that CUB may verify your vote.
- Please place your ballot in an envelope and mail to: CUB; P.O. Box 6345; Portland, OR 97228.
- Ballots must be received at the CUB office or PO Box no later than May 31, 1990.

District 1:

☐ **Kit Draham**
☐ **Jane Netboy**
☐ **Kirk Roberts**

District 2:

No candidates*

District 3:

☐ **Margot Beutler**
☐ **Joseph Lidrich**

District 4:

☐ **John-Erik Nilsson**

District 5:

☐ **Lloyd Marbet**

*Note: No qualified candidates filed for election in District 2. Therefore, the CUB Board of Governors will be accepting applications for this position, and will appoint a member after the elections. If you are interested for applying for this position, please contact Barbara Head at the CUB office: 921 SW Morrison, Suite 550; Portland, OR 97205; 227-1984.

Citizens' Utility Board of Oregon
P.O. Box 6345
Portland, OR 97228

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Cover Photo: Kate Eixenberger and David Allen prepare lawnsigns for the 1984 CUB campaign. David and Kate met while working on the campaign, married in 1986, and now have a 7-month old daughter, Emily. David currently serves as the Treasurer of the CUB Board of Governors.