

July 10, 1967

MORE DETAILS ON THE ELECTRICITY RACKET

In the Newsletter of July 5, 1967, entitled "THE HIDDEN ELECTRICITY BILL", it was revealed that the residents get a monthly electricity bill called "THE OPEN BILL". Then when November comes around each year, the residents receive their property tax bills from the county, schools, cities and special districts. Since the Imperial Irrigation District of Imperial County, Calif. has property in the county and cities that should pay \$4.7 millions yearly in property taxes, this would make the District the biggest taxpayer.

But the I.I.D. pays no property taxes in Imperial County, so you the people of Imperial County must pay an extra \$4.7 millions in taxes to the county, schools, cities and special districts to make up for what the Imperial Irrigation District does not pay. It is this money that you are forced to pay for the I.I.D. in the form of property taxes, that is your "HIDDEN ELECTRICITY BILL".

The Imperial Irrigation District brainwashed the reporter for the local daily newspapers so that in PROBE of June 26, 1967, there was an answer about electricity bills that was full of lies. This article said that the average user in the summer in Palm Springs had an electricity bill of \$38.94 whereas an average user in Brawley, Calexico or El Centro would have a bill for \$38.30.

For practical purposes, a bill of \$38.94 only varies about 1½% from a bill of \$38.30, so that really these bills are the same. But what is not the same is that the resident of Palm Springs gets his electricity from the Southern California Edison Co. which is investor owned and as such pays heavy property taxes not only to the City of Palm Springs but also to Riverside County and the schools and special districts.

SO THE RESIDENT OF PALMSPRINGS DOES NOT HAVE TO PAY A HIDDEN ELECTRICITY BILL WHEN HE GETS HIS PROPERTY TAX BILLS IN NOVEMBER TO MAKE UP FOR THE SOUTHERN CALIFORNIA EDISON CO. BECAUSE IT HAS PAID ITS PROPERTY TAXES. As a matter of fact, the I.I.D. pays property taxes to Riverside County for its electricity network supplying Indio and Coachella and the surrounding area which are in Riverside County.

Furthermore, PROBE said, "There is also a rumor rampant that farmers pay less for domestic power than city dwellers. It is simply not true!" Again the reporter was brainwashed for this rumor is true. The Southern California Edison Co. charges higher rates for domestic power in a ranch home.

It is more expensive to supply domestic power to a ranch home for many reasons. In the first place, the power company must put up many electric poles and string wire for many miles to reach some ranch homes. In addition, there are storms which knock down these long electric power lines or they are knocked down in auto accidents and there is much expense in repair. In cities, homes are close together and you do not need long electric lines and you do not need the frequent repair jobs. ~~The correct answer is that~~

in Imperial County the people living in towns should have electricity rates which are cheaper than those living out far distances. All investor owned electric power companies make the rates this way and since the rates must be approved by the State Public Utilities Commission, you know that they must be correct because the Commission does not permit discrimination amongst customers.

The I.I.D. is not under the control of the Public Utilities Commission. It is dominated by the big farmers so that the city people are forced to pay excessive electricity bills for domestic power so that the ranch homes get low electricity bills.

In Riverside County where the Imperial Irrigation District also distributes domestic power, it is running the same racket of forcing the people of Indio and Coachella to subsidize low electricity bills to the ranch homes. But notice that domestic power for homes has been discussed all the time. In Riverside County, the I.I.D. also sells agricultural power (a form of commercial power) to the ranches which use it to pump water from deep wells to use for irrigation water on the ranch.

It is hard to believe but the electricity is sent from El Centro about 125 miles over an expensive transmission line that cost more than \$1 million to construct. This agricultural power is being sold at 1/5 the rate that you people who live in the I.I.D. pay for electricity. Do not forget that you people who live in the District have been paying land taxes to the I.I.D. for the past 50 years. But the residents of Riverside County have never paid one cent in taxes to the I.I.D. Instead, the Imperial Irrigation District has been paying property taxes to Riverside County. In plain language, you are even being swindled in your electricity bills to subsidize the farmers that live and ranch in Riverside County and are not even a part of the I.I.D.'s geographical area.

Investor owned electric power companies like the San Diego Gas & Electric Co. and Southern California Calif. Edison Co. must pay Federal and State Income Taxes. The Federal Income Tax is 48% of the profits or almost half. The I.I.D. is charging for domestic power the same rates as Southern Calif. Edison and San Diego Gas & Electric so that it makes tremendous profits. It should pay a combined Federal and State income tax of \$4.8 millions BUT DOES NOT PAY PAY ANY INCOME TAX!!!

Investor owned electric power companies make profits which after Federal and State income taxes are paid, the remaining profits are given as dividends to the investors (stockholders). The I.I.D. pays NO DIVIDENDS to the people living in the District.

When you add the local property taxes of \$4.7 millions that the I.I.D. does not pay, and the \$4.8 millions in Federal and State income taxes it does not pay, and the dividends of \$4.9 millions it does not pay, you get a grand total of \$14.4 millions.

What happens to the \$14.4 millions? The Imperial Irrigation District was constantly broke when it only sold irrigation water from the year 1911 to 1937. It could not pay employees cash so it paid them in scrip which many merchants refused to accept. But in 1937 it went into the electric power business. It competed with the investor owned company that was here and which paid local property taxes, Federal & State income taxes and dividends to investors.

The electricity rates of the I.I.D. and the private electric company WERE THE SAME. The District promised the people if they voted to buy out the private company that it would reduce the rates very drastically. The residents voted to buy out the investor owned company BUT THE I.I.D. NEVER REDUCED THE RATES THE WAY IT SHOULD.

IT STILL CHARGES ELECTRICITY RATES LIKE INVESTOR OWNED ELECTRIC POWER COMPANIES. It uses the \$14.4 millions to subsidize the big ranches so they get the irrigation water at 1/4 the correct price. You are swindled for the benefit of the MILLIONAIRE MOOCHERS!!!!