

June 1, 1969

\$14 MILLIONS YEARLY ELECTRICITY SWINDLE

Many Americans believe that oppression and swindling of the people are things that are seen in foreign countries which are under dictatorship. It is hard for them to believe that here in the United States, that a local governmental agency like the IMPERIAL IRRIGATION DISTRICT, CAN BE CHEATING THE PEOPLE OUT OF \$14 MILLIONS YEARLY for the benefit of a ruling class--BIG RANCHERS, OFTEN ABSENTEE CORPORATIONS-- which are the power structure in Imperial & Riverside Counties, Calif.

The big landowners who are mainly absentee, own 70% of the land in defiance of the U.S. Reclamation Law which is not enforced by the corrupt U.S. Dept. of Interior. The power structure controls the news media so that no explanations are given to the people about the swindling. This Newsletter "tells it like it is" and readers are urged to give it to others to read so that the CURTAIN OF SILENCE BE DESTROYED!

Concisely stated, the Imperial Irrigation District of Imperial County and the Coachella Valley County Water District of Riverside County, are engaged in a conspiracy to defraud 110,000 people out of \$14 millions yearly by charging the electricity users 3 times the correct price so that the big ranches be subsidized to get irrigation water for farming at 1/4 the correct price. Here are the big absentee corporations that benefit from this swindle--TENNECO, INC. (Heggeblade & Marguleas), PUREX CORP. (Freshpict, Inc.), UNITED FRUIT CO. (Interharvest, Inc.), THE IRVINE CO., S.P. RAILROAD (S.P. Land Co.), DOW CHEMICAL CO. in conjunction with Bud Antle, Inc., and many other corporations of lesser size.

THE CORRUPT U.S. DEPT. OF INTERIOR IS AIDING AND ABETTING THIS SWINDLE BY PROVIDING THE I.I.D. WITH ABOUT 50% OF THE ELECTRICITY THE I.I.D. SELLS, WITHOUT REGULATING THE RETAIL PRICES AS FEDERAL LAW MAKES MANDATORY. THE DEPT. OF INTERIOR IGNORES ALL PROTESTS!!!

The reader must understand clearly the difference between a governmental agency which sells electricity and an investor owned corporation which does likewise. The Southern Calif. Edison Co. is an example of an investor owned utility selling electricity, whereas the Imperial Irrigation District and the Coachella Valley County Water District are examples of governmental agencies selling water and electricity.

Investors in the Southern Calif. Edison Co. which is regulated as to its rates by the Calif. Public Utilities Commission, are paid dividends out of the profits. The company pays heavy property taxes in the cities and counties it operates in. From its profits, Southern Calif. Edison Co. pays Federal and State Income Taxes.

The Imperial Irrigation District and the Coachella Valley County Water District DO NOT PAY DIVIDENDS, DO NOT PAY PROPERTY TAXES, AND DO NOT PAY FEDERAL AND STATE INCOME TAXES. Therefore, the electricity and water sold by them SHOULD BE SOLD AT A MUCH LOWER PRICE THAN SOLD BY AN INVESTOR OWNED UTILITY!

But these swindling governmental agencies controlled by the absentee corporative farmers, INSTEAD SELL THE ELECTRICITY AT MUCH HIGHER PRICES. For example, the Southern Calif. Edison Co. sells 1,000 kilowatt-hours of electricity to homes in Palm Springs for \$18.04 and the Imperial Irrigation District sells the same amount for \$18.75 WHICH IS 71 CENTS MORE!!!

But when the Southern Calif. Edison Co. charges \$18.04, it is paying heavy Palm Springs, Riverside County, and School District, etc. property taxes which lighten the tax burden of the Palm Springs residents. The I.I.D. pays no such property taxes. So the I.I.D. electricity customers who pay \$18.75 per 1,000 kilowatthours, HAVE TO PAY \$4.5 MILLIONS IN EXTRA PROPERTY TAXES to cities, counties, school districts, etc. etc. to make up for the I.I.D. When this \$4.5 millions, "THE HIDDEN ELECTRICITY BILL" is included, the I.I.D. customers REALLY PAY \$26.00 PER 1,000 KWRS FOR ELECTRICITY.

THE CORRECT RATE FOR ELECTRICITY FOR THE IMPERIAL IRRIGATION DISTRICT SHOULD BE ABOUT \$7.50 PER 1,000 KILOWATTHOURS!!!

The Wall St. Journal of July 5, 1967 tells how homes in the cities supplied by the Tennessee Valley Authority pay \$6.75 per 1,000 kwhrs. THE UTILITY DISTRICT OF GRANT COUNTY, WASHINGTON STATE, charges \$9.00 per 1,000 kwhrs. These 2 electricity suppliers pay no taxes like the I.I.D. PAYS NO PROPERTY TAXES OR FEDERAL OR STATE INCOME TAXES.

The City of Riverside, Calif. buys its electricity wholesale from Southern Calif. Edison and sells it for \$13.69 per 1,000 kwhrs at a profit. Less the profit, the rate would be \$12.11. Riverside pays no taxes.

The I.I.D. and Southern Calif. Edison had a contract for 20 years not to invade each others territory. The contract expired in 1969. Indio and Coachella can now kick out the I.I.D. and let Southern Calif. Edison supply the electricity at a cheaper rate and these 2 cities can collect property taxes from Southern Calif. Edison WHICH THEY CAN NOT DO FROM THE I.I.D. El Centro, Brawley, Calexico, etc. can do likewise.

Investor owned electricity companies like Southern Calif. Edison, always have lower rates in the cities because the homes are closer and it is cheaper to supply power this way. These rates are approved by the Calif. Public Utilities Commission. Farm houses many miles apart have to pay higher rates approved by the Commission. The big farm interests control the I.I.D. whose rates escape the control of the Commission. So the I.I.D. makes the city and distant farm rates the same. In the Coachella Valley especially, the I.I.D. supplies electricity at 1/5 the rate that city homes pay by calling this "A SPECIAL WATER PUMPING RATE" but this electricity is also used for heating, airconditioning, etc. besides pumping. THERE SHOULD NOT BE A SPECIAL PUMPING RATE. IT IS UNFAIR

The Coachella County Water District is in a conspiracy with the I.I.D. to swindle the homes in Indio, Coachella, etc. on electricity bills so that big farmers can get water at $\frac{1}{4}$ the correct cost. This District collects property taxes in its area. It has bought up investor owned water companies who got their water from wells and sold the drinking water delivered by pipes. But it has not reduced the price of drinking water despite the fact THAT IT PAYS NO TAXES LIKE THE I.I.D.

The Federal Government supplies about 50% of the I.I.D.'s electricity in the form of cheap hydroelectricity. But the corrupt U.S. Dept. of Interior does not prevent this swindle which it is supposed to do if a PUBLIC UTILITIES COMMISSION DOES NOT CONTROL THE RATES. A family depending on its type of airconditioning, is cheated out of \$50 to \$250 yearly by the I.I.D. FOR THE BENEFIT OF THE BIG FARM INTERESTS. TENNECO. INC. (Heggeblade & Marguleas), UNITED FRUIT CO. (Interharvest Inc.), PUREX CORP. (Freshpict), THE IRVINE CO., S.P. RAILROAD (S.P. Land Co.), and many other smaller absentee farm corporations plus absentee businessmen, lawyers, actors, physicians, politicians, etc. who own land here as TAX SHELTERS, PROFIT FROM THE ELECTRICITY SWINDLE.

So the U.S. Secretary of Interior who does not enforce the residency provision and the 160 acres limit per person provision of the U.S. Reclamation Law which is supposed to benefit the residents here, permits the swindling of the residents out of \$14 millions yearly in electric bills for the benefit of big farmers who control the agricultural production of \$300,000 yearly!!! Under the pretense of saving water, the I.I.D. builds concrete ditches on the big ranches which cost \$3 millions yearly in material and labor. This money comes from the money swindled out of the electricity users. Lack of space prevents telling the many other schemes by which the I.I.D. uses the swindled electricity money for the benefit of the big absentee farm interests.
PASS ON THIS NEWSLETTER SO ELECTRICITY USERS LEARN ABOUT THE SWINDLE.