

REPLIES TO PLEA FOR 7-CENT RATE

Good Government Organization Answers Citizens' Committee Statement

ENGINEER SUPPLIES FACTS

E. F. Scattergood's Figures Used to Show Fallacy of Companies' Contention

The Good Government organization of Los Angeles, which is working now for the election of George H. Stewart and Frederick J. Whiffen as members of the city council, but also to sustain the referendum on the 7-cent lighting ordinance, issues the following statement in answer to the statement of the so-called "citizens' committee," and bearing on the lighting situation generally.

The facts upon which this statement is based were supplied by the board of public utilities at the request of the Good Government organization, and the technical data contained in the statement were worked out by E. F. Scattergood, chief electrical engineer of the Los Angeles aqueduct power bureau. The statement follows:

THE REPLY It is apparent from this circular that the "citizens' committee" was organized at the instance of the power companies.

This committee purports to base its approval of the light ordinance upon "the facts admitted" by the companies, and does not claim or pretend to have made any investigation whatever of the question whether the rates prescribed in the ordinance are just and reasonable, so far as the consumer is concerned.

The ordinance was adopted after a careful investigation of the matter of reasonable rates, continuing for a period of about four months. This is in striking contrast to the method of the so-called "citizens' committee," which claims to have been formed for the purpose of accomplishing a fair adjustment between the city and the companies, and yet the committee, without any pretense of having investigated the merits of the rate ordinance and within one week after its organization, issues a circular condemning the ordinance and urging its defeat by the voters.

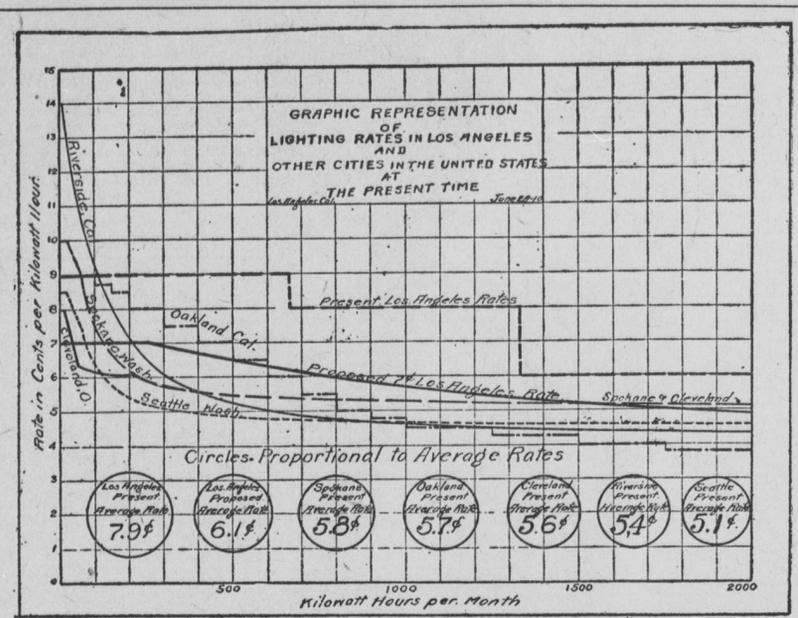
TABLE OF COST The following tabulation of generating costs, selling price to electric railways and the amounts of electrical energy used within the city limits for various purposes are taken from the sworn statements of the companies to the council and additional statements to the board of public utilities, as called attention to by the committee in its testimony at the hearing before the council, and are given to show how the electric railway companies are favored in rates at the expense of other light and power consumers.

Pacific Light and Power Co. Edison Average generating cost, cents per kilowatt hour, allowing 6 cent on investment. 0.815 1.445 1.00 Selling price in cents per kilowatt hour to electric railways. 0.523 0.723 0.65 Kilowatt hours per kilowatt hour of light and power exclusive of railroads. 14,276,823 16,964,255 31,243,093 Kilowatt hours sold in Los Angeles in 1909 to railway companies. 10,293,415 26,123,013 115,387,430

OTHER CITIES Because of the attempt of the lighting companies to influence public opinion by such a list of rates, the board of public utilities wrote to 100 characteristic cities, and to date has heard from thirty-five, of which all but four give the base rate, but only five give the full scale of rates, which affords the only reliable basis for comparison.

NO EXCEPTIONS In arriving at these conclusions no exceptions were taken to the statements submitted by the companies except after investigation, and each of these exceptions was specifically mentioned at the hearing before the council.

Comparative Chart Showing Lighting Rates Now in Effect in Los Angeles and Five Other Cities



By Mr. Scattergood in his testimony, giving reasons for the same, and the power companies' representatives had every opportunity to improve these exceptions, and certainly would have done so had they been ill advised. The exceptions were necessary because of padded yearly expenses by the insertion of charges for exorbitant services, etc., and by valuations of properties far in excess of their true value. It is certain, therefore, that the rate as fixed by ordinance is fair to the companies, and that it was not fixed without due consideration and without giving the companies a fair hearing. In their financial statements to investors these companies show a very different condition. For example, the Harris Trust and Savings bank of Chicago reported in a bond circular an official statement by the president of the Southern California Edison company, showing an estimated surplus for the year 1910, after deducting full maintenance charges and all interest charges, of \$1,025,000, or approximately 30 per cent of his company's gross earnings.

EIGHT-CENT COMPROMISE Voters are encouraged to vote against their interest by an offer of a compromise scale of rates with an 8-cent base and a 75-cent minimum bill, which scale coincides with the present scale of rates for the quantities between 1333 and 2000 kilowatt hours per month. With proof that a 7-cent base rate is fair to the companies there is no occasion to consider any compromise. An American citizen is not a consumer based on the claim that he would be greatly benefited by this 75-cent minimum, which the companies now graciously offer to charge him the regular minimum all these years. The fact is that the compromise scale is higher than the one established by ordinance for all consumers up to those using 3000 kilowatt hours per month, and is lower for those using larger amounts. Still the companies claim to be favoring the small consumer.

BASE RATE The citizens' committee's circular also reprints a list of fifty-seven other cities with their respective populations and base rates, made up and printed originally by the lighting companies. As stated, these were selected by the committee in order to show that necessarily follow that they are a fair representation of all cities, but, however this may be, it is true that the fixing of lighting rates by the majority of American cities is controlled more by politics than by statements of unbiased and competent engineers. It is also true that conditions affecting the cost of delivering electrical energy for lighting differ very materially in different localities, and the proper rates to establish in Los Angeles are those which will allow a reasonable, reasonable return on the investment here regardless of what it may be in other cities.

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SOVIETISTS PLAN TO ARREST MAYOR

Prompt Action by Council Saves Head of City from Prison Bars

SCARE 4TH OF JULY ORATORS

Lawmakers Foil Plan to Enforce Ordinance Against Speaking in Public Parks

Socialists of Los Angeles had a good laugh yesterday, and in fact they are still laughing, even though prompt action on the part of the city council foiled their plot and doubtless saved Mayor Alexander and other Fourth of July orators from arrest on charges of violating the ordinance against speaking in public parks.

FORMER ANGELENO LAUDS GROWTH OF LOS ANGELES

"Well, this certainly looks good to me," said Mano A. Zan and Van Nuyes last night when asked how he liked it back in Los Angeles. Up to a year ago Mr. Zan was local manager for Meese & Gottfried, but was transferred to Seattle to look after the firm's business there.

EXTINGUISHED VAN NUYS FIRE BY USING SELTZER

Total Loss from Blaze, Plus Bar Stock, is \$14.40

CHARGE OF SELLING STOCK MORTGAGED IS DISMISSED

The charge of selling chattel mortgaged property was dismissed yesterday by Justice C. Lavelle and Portland judge on complaint of J. S. Hill, who held a chattel mortgage on horses owned by the defendant.

MANY ATTEND OPENING OF HOME FOR CHILDREN

David and Margaret Asylum for Little Ones at Lordsburg Ready for Occupancy

Almost two hundred members and patrons of the Woman's Home Missionary society of the Southern California Methodist conference, to whom recently by David and Margaret Home for Children was presented, attended the formal opening of the home at Lordsburg yesterday.

WANT PARK WHERE GOLD FIRST FOUND IN STATE

Pioneers Petition for Control of Historic Ground

The Pioneer society of Los Angeles is circulating a petition to be sent to the land in question. It is said that this spot was the source of the wealth of the mission fathers of olden days.

Bullocks Splashing!

Go the Bathers! Have Your Bathing Suit?

Exclusive Style in Low Shoes

Oxfords or pumps that will appeal to particular women are here.

YOU DON'T NEED TO PAY EXTRAVAGANT PRICES FOR SHOES

Bathing Suits \$1.75

Bathing Suits \$2.25

Bathing Suits \$3.50

Bathing Suits \$4.50

Bathing Shoes 25c to 65c

Delight Women

Dainty "Sunspuns"

TO MAKE TUBERCULIN TEST OF MILK SUPPLY

New Ordinance to Be Introduced Regulating Distribution of Lactal Fluid

That a tuberculin test of the cows supplying milk to Los Angeles will be made soon was decided on by the board of health at its meeting yesterday afternoon.

FATHER-IN-LAW CALLS BOOK-KEEPER COWARD

Charges of threats to kill against Carl J. Huber, former bookkeeper for the H. O. Harrison company, were dismissed yesterday by Judge Rose following Huber's preliminary hearing on the charge.

BURGULARS DISPLAY TASTE IN THEFT OF GOOD CIGARS

Three burglaries were reported to the detectives yesterday as having been committed Monday night and early yesterday morning.

SEVENTEEN YOUNG WOMEN RECEIVE MUSIC DIPLOMAS

The Los Angeles Conservatory of Music and Arts held its annual graduation exercises last evening in Blanchard hall, sixteen young women receiving their diplomas.

Verdugo Canyon Land Co.

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JNO. A. PIRTLE