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What troubles power users? Many issues

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Rising utility bills aren't the only thing Nevada Power Co. and Southwest Gas Corp. customers are complaining about.

Nevada Power and Southwest Gas customers told regulators Monday that they don't like having to pay a monthly service charge to stay connected to the electric grid and natural gas pipeline when they don't use any electricity or gas.

During a public meeting held by the Public Utilities Commission, Virginia Glitch said the charge would be like the Galleria at Sunset mall charging her admission so she could shop at its stores.

"I would like to see a cap put on it," she said.

Residential customers pay Southwest Gas a \$8.50 monthly service charge that pays for her connection, meter reading administrative expenses and overhead costs, spokeswoman Robyn Clayton said. Nevada Power charges a \$6 basic charge, regardless of how much power consumed.

"I feel these service charges are too much," agreed Fred Lavell, another retiree.

About a dozen consumers spoke about various issues during the meeting at Sunrise Library in northeast Las Vegas, but most were unhappy about some aspect of natural gas and electric power rates.

Ted Mendalski, another consumer, complained about the statewide universal energy charge, a tax on utility bills that creates revenues to help low-income residents pay bills. The charge amounts to 60 cents a month on consumers' electric and gas bills, state regulators have said.

"That's extortion," Mendalski said. "Nobody has a right to tell me or anybody else who to give (charitable contributions) to."

Many of the attendees were upset by their increasingly high utility bills.

Bonita Robinson, who spoke from a wheelchair, said she and her husband are having trouble paying for utilities.

"We're trying to live on a little less than \$800 a month. By the time, we pay the utilities. There's nothing left," Robinson said. "I think we're paying way too much."

Robinson said they did receive financial assistance with utility bills.

Catering company owner John Baietti criticized the utilities' high bills.

Baietti called the meeting as a "dog and pony show going up against Goliath" and called for an independent audit of Nevada Power's books.

Nevada Power is "making more money than God," Baietti said. "We're going to send a terminator accountant up there to blow them out of the water."

Joe Neal, formerly a Democratic state senator from North Las Vegas, questioned the customer charge and also wanted an audit.

Public Utilities Commission Chairman Don Soderberg, however, noted that state officials audit Nevada Power and Southwest Gas when they file general rate cases for operation, maintenance, investments and profits.

Retiree Richard Bianco urged the commission to deny an expected request from Nevada Power and Sierra Pacific Power Co. for rate increases to compensate the companies for settling a contract dispute with Enron Corp. by paying \$90 million.

He complained about alleged bad management at Nevada Power during the Western energy crisis of 2001 and 2002, repeating a comment made then by then-Commissioner Richard McIntire that

management at Nevada Power as like “the Keystone Kops.”

“We should not pay for any of Nevada Power’s mistakes in the past,” Bianco said. “You created (the Enron contract),” Bianco said to Nevada Power. “It’s your puppy.”

The PUC chairman also laid much of the blame for higher utility rates on Congress, which has failed to compromise on legislation that would allow more natural gas exploration and production in the country to offset the demand crunch that has sent natural gas prices soaring.

Retiree Josephine Lilley suggested that residential customers in Southern Nevada should get more of the cheap hydroelectric power generated at Hoover Dam.

“Perhaps the utility companies could share the burden and perhaps they could make a little less (profit),” said Larry Gold, a spokesman for AARP in Nevada.

Mike Lavine told attendees that he found utility representatives helpful when he was

between jobs in recent years. “They were cordial enough to sit down and walk through some payment plans so that I could through the tough times,” Lavine said.

Lavine blamed the petroleum industry for soaring power and natural gas bills.

Richard Thomas, a shareholder of Sierra Pacific Resources, parent of Nevada Power, brought a different kind of complaint. He wanted to know why the electric company stopped paying dividends on common stock. He suggested freezing wages at the electric company until problems were resolved.

Rick Sherman, a former energy company worker, criticized Strip casinos for failing to conserve, rather than just tacking a \$3 to \$5 surcharge for energy on hotel room rates. He favored more cogeneration plants, which generate electricity as powering heating and cooling facilities in large buildings.