

Rural ratepayers hit hardest by center cost

Small towns pay high percentage due to reliance on dam for power

By Rachael Conlin
LAS VEGAS SUN

The livelihood of Moapa Valley's last melon farmer relies on the water behind Hoover Dam and the generators it powers. His ruin lies 530 feet above that powerhouse.

Bob Lewis is struggling to keep his 800 acres of watermelons and alfalfa from turning into dusty, barren fields. But each month it gets harder as his power bill continues to climb.

Lewis is one of many rural business owners and residents who are being hurt financially because of a debt owed to the federal government in the form of a visitor center overlooking Hoover Dam.

The 45-year-old Nevada native is trying to protect his farm — his heritage — for his 10 children, ages 5 to 23.

"I don't feel all is lost, that life is not worth living any

more. It's just a sad, empty feeling," said Lewis, who is looking at reducing his farming operation.

Congress has ordered regional power users to pay for the \$120 million visitor center.

Rural Clark County residents and those in Nye and Lincoln counties are the hardest hit because a larger percentage of their electricity comes from Hoover Dam.

Lewis saw his annual power bill climb to \$69,000 this past year, partly because of the visitor center debt. The power is needed to pump water to his crops.

"I see the good, good people that the environment raises. They've been the backbone of our country for lots and lots of years," said Lewis, whose family has lived in Nevada for five generations.

Lincoln County rancher John Mathews said his "hack-

les rise" when he thinks about the federal government's gouging.

In 1992, Mathews paid \$50,000 a year to pump water to his 700 acres of alfalfa. Now he pays \$67,000.

"It really startles and astounds me that me and my family will be paying \$13,000 to \$14,000 a year for the rest of our lives for a visitor center about 200 miles away," he said.

Mathews, 49, thinks he can handle the increase, continue to pay off the mortgage on his ranch, and save the land for his five boys and five girls.

But the situation scares him as soaring power bills push his neighbors closer to bankruptcy.

The plight of people like Mathews and Lewis is not lost on the power companies that serve them. Three small Nevada companies have fought to hold the U.S. Bureau of Reclamation accountable for its spending.

"We're not arguing about paying our fair share of reasonable costs," said spokesman Kent Bloomfield.

A fair share, he contends, is

\$32 million — the original estimate of the visitor center.

"What we object to is the unaccounted-for, unresolved costs," he said.

The companies also dispute Hoover Dam officials' method of replacing old equipment and machinery. Instead of spreading the cost of the equipment to the customer over the life span of the equipment, officials charge them the total cost the first year, Bloomfield said.

That accounting method contributes to the soaring power bills.

Heavy lobbying by the rural utilities has prompted Sens. Harry Reid and Richard Bryan, both D-Nev., to call for congressional hearings.

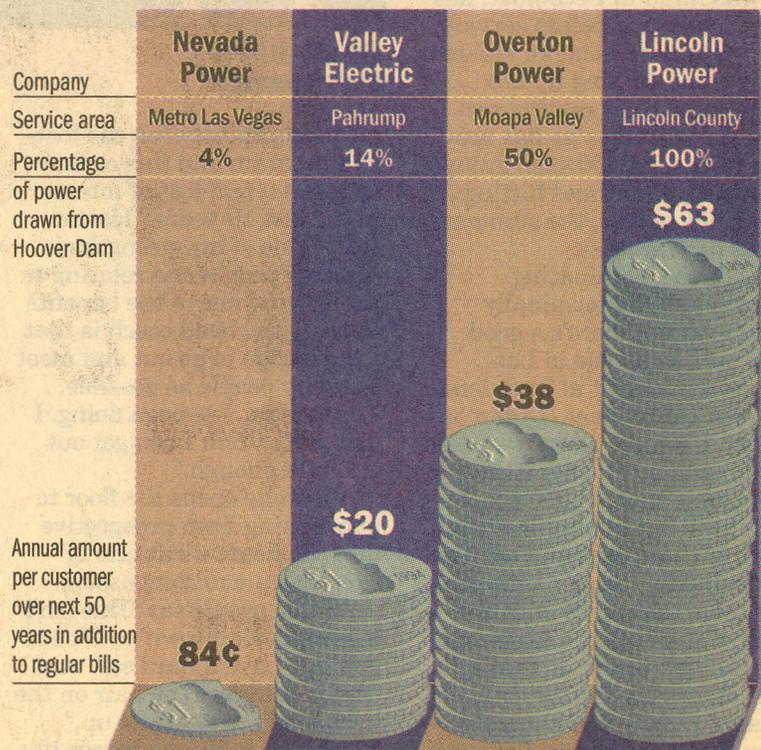
"The bottom line for me is to provide relief to the ratepayers who are the victims of this governmental boondoggle," Bryan said.

But the help, if it comes, won't arrive soon enough for Nevadans like Mathews and Lewis.

"It's destroying a way of life. It's destroying what built Southern Nevada," Lewis said.

Visitor center's impact

Southern Nevada power company customers are paying for the Hoover Dam visitor center through increased rates.



Source: Affected power companies