

AND SO WE ARE GETTING "ELECTRIC"

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From the standpoint of National Economics I am still very much at a loss to know the right, or otherwise, of the Federal Government's program of Rural Electrification as set up under the Rural Electrification Administration, now so widely known as "REA". However, after a year and a half of battle in helping to organize and carry through to completion, a four hundred mile project in the hills of northern Pennsylvania, I feel that I have learned so much in an entirely new field of rural activity that a brief recital may prove of interest to the million others like myself, who are now demanding a necessity that they should have had years ago.

It is a notable fact that this country, gloriously ahead in so many other fields of social betterment, has lagged sadly in giving our thirty million rural population the benefit of electricity. In fact, up to the present time, the number of our farmers in a position to receive central station service has been so small that the per cent is almost negligible. Within the past two years, the activity of the Rural Electrification Administration has so brought this situation to the foreground that it has now become an economic problem of major importance. The passive attitude of the past is over. Farmers everywhere, from Maine to California are clamoring for service with a cry that will not be denied.

Being a graduate of an agricultural college with a major in Rural engineering, I had always sworn that I would never take my family to live on a farm that did not have all of the so called modern conveniences. Yet ten years ago we bought a farm which lacked the one thing which would make it modern. We did everything but get down on our knees begging the power company to give us service. Naturally we would have put in our own plant if there had not been so many other places for our dollars. Now however, all is changed. We're going to have electricity. The poles re set, the wire is strung, the transformer hung and the service drop connected. We're going to have lights in thirty days, and this time we know it's true.

The pains, trials, and tribulations, which we underwent to attain this service, may or may not prove a criterion in guiding the destinies of future co-operative rural electric projects. Still, I do know that it is a fair sized sample of the difficulties besetting nearly every project of its kind since REA's inception.

Let me repeat, I do not know whether government financed co-operative movements are right or wrong. Perhaps the so-called experts who claim we are about to "strangle the goose that lays the golden egg", have the truth of it. However, I hold no brief with those wordy politicians who loudly shout that the utilities are the heavy tax payers, without whose hard earned dollars our government cannot exist. They wave handkerchiefs over the fact that now we are lending those same dollars to movements whose very nature is presupposed to ring the death knell for corporations whose money we so badly need. It is strange that they have never cried over enormous bond issues whose "guaranteed" interest payments these same utilities have defaulted.

There are those who are certain that rural electrification is doomed before the start. They claim that had these projects been feasible, the utilities would have entered the field long ago. They cite that some projects have already had to raise their rates, that in Nebraska REA is lending money to build lines where only one and six-tenths customers exist to the mile. Sadly they deplore the fact that soon the government will have to subsidize electricity on our farms. Indeed they go farther and claim that inasmuch as the utilities have now lost the benefit of the rural business, they will just lie down and die.

Others there are, who darkly hint that REA has ulterior and far reaching designs that, if not checked, will place co-operative electricity in this country on the same basis that it is in Sweden. They point to the millions being loaned that will eventually checkerboard this country with government controlled projects. They fear that when everything is ready, a few swift movers will place Washington in all the "king rows", and private business will be a thing of the past.

Perhaps these experts and shouters are correct, but to those of us who have been fighting to get a commodity that is as necessary to present day existence as the automobile, it smells like something the cat dragged in. In the first place, the utilities have been doing pretty well all these years without the rural business. Secondly, by far the big majority of these projects are buying their current from local power companies, and in a good many instances this current represents energy that would otherwise be wasted. In fact, it is not the policy of REA to build generating plants at all if the local utility is inclined to play ball with a decent rate. Third, if the fourteen hours a day the farmer has to work, many by the foggy light of a kerosene lantern - if those

fourteen daily hours can be brightened and shortened by a little subsidy, God knows it will be in as good a cause as shipping and a lot of other things. To me it is one of the most commendable things the federal government has ever done. It is a blessing that will prove a benefit to ALL THE FARMERS, no matter if they live in Texas or Vermont.

The AAA put many dollars in the pockets of Kansas and Missouri as it raised the price of grain, but we of the eastern dairy sections had to pay for the high priced grain. We paid with low priced milk and it never was a fifty-fifty trade, for at no time would a hundred pounds of milk buy a hundred pounds of cow fee. Rural Electricity is not like that, and needs not "brain trust" to put it over.

In the spring of 1936 congress enacted the Rural Electrification Act. It was designed to supercede and carry on to completion the work of the emergency REA organization as set up in 1935. Its express purpose was to get electricity to the rural population of this country. A ten year program was established whereby \$50,000,000 was to be expended the first year and \$40,000,000 each year thereafter for the succeeding nine. The plan has been to lend this money to self organized co-operatives, but in some cases the money has been loaned to the local utility, when it was deemed advisable for them to render the service. The one idea is to serve the farmer. The beautiful part of it is that at least half of this money must be allocated to states in direction proportion to the number of their unelectrified farms, and nearly every state is asking for its full allotment. To date, over \$80,000,000 have been loaned to projects that will serve over 250,000 rural customers, and every one of these projects has been carefully figured so it can pay out in full, in the next twenty years.

Perhaps the engineers have been over optimistic. We are all prone to stretch figures toward the "hope" side of the ledger. Nevertheless, there are two large factors which lead us to believe that the vast majority of these projects will amortize their loans. First, a somewhat sensational departure from the former high cost methods of rural line construction. Formerly, it was thought that rural lines could not be built under \$1500 a mile and retain sufficient strength for safety. Today, it is a recognized fact that lines are being built to serve four customers per mile at a cost of about \$700, and experience has proven them safe and entirely satisfactory. Second, the whole country is waking to the possibilities of the immense market for electric

energy in our rural communities. One modern farm equipped to take advantage of this new "hired man" will be a far larger user than the most lavish city customer. The consumption for lighting will be of secondary importance as milking machines, coolers, pressure water systems, heavy duty motors and a lot of other appliance begin their time saving work.

I know that REA's claim to strict non-partisanship is often countered with , "Oh yeah! Just try and find anything but a Democrat in the whole organization." Perhaps it's true. I have never thought it worth the effort to check up. In fairness though, I want to state that in all of our many dealings with headquarters at Washington during the development of our project, I have never once heard the word "politics" mentioned. Not a man has been asked to change his party by anyone connected with REA, and I firmly believe that they have fought as hard for us in our nearly solid republican community, as they have for projects in Democratic South.

When REA first popped its head above water it was probably the least advertised of any of the "alphabet". Those of us in rural areas who should have been the first informed, were left in the dark for over a year. The alert utilities knew, however, and immediately began to lay plans for action.

And so it came about that in the spring of '36 we began to hear rumors that the power company would build lines in rural districts. Soon those rumors appeared to be fact, and short extensions were being built. Of course, these little extensions were along the thickly settled, valley roads, but those of us in the hills had hope for the first time. Some of us even began to receive promises. They were not definite, but were for the "fall" or "next year". Also they laid on us the responsibility of getting the neighbors signed up and wired. Nevertheless they were promises.

RATES? Oh! It couldn't possibly be done for less than twelve dollars minimum and "believe me" we were lucky to get it at that. I have always stoutly maintained that even if a distribution line goes directly past the door electricity is not available to the average farmer, unless the cost for service is within the range of the average farm pocketbook. We knew that a twelve dollar minimum was more than we could afford, but most of us were willing to take a chance, and it is surprising how many signed at these high rates. Yet, by August it became apparent that the promises were not for 1936, and doubtful for 1937.

It was about this time that some of us woke up to the fact that there was a part of the government "alphabet" designed to meet our problem. A few leading spirits got together and in a short time there was a small unadvertised meeting in the west end of our county. Soon there was another, attended this time by over a hundred, all wanting electricity in the next thirty days. Washington has sent up Mr. Stevens, a young enthusiast from the development section. A Mr. Smith was there who had already organized a project in the western part of the state. From these gentlemen we were overjoyed to learn for the first time, that we should, and could get electricity back in our hill sections for five cents per kilowatt hour. These two men assured us that a project in our territory was entirely feasible and that Washington meant business in its offer to back u. From that meeting, the conflagration spread.

It is my personal conviction that the utilities at no time have wanted the rural business. I do not believe they even wanted the little "cream" sections along the valley roads. Certainly they had had plenty of opportunities to reach out for this patronage which they now suddenly began to cry for. The crux of the whole matter was that they wanted the REA so terribly much less that they were willing to go to almost any length to block it. The battle was definitely on.

For a long time, it was like Germany going through Belgium in the early stages of the world war. We, of course, were the Belgians. When it comes to war, believe me, the utilities are no gentlemen. All rules are out and no holds barred. They started by making a local political football out of our little project and then proceeded to "give us the works".

At first we were handicapped by being slow in getting organized, but by October we were under way as the "Tri-County Rural Electric Co-operative Ass'n.", and in a position to fight back. It is a large name, (being the secretary I should know) but Washington insisted on the words "Rural Electric Co-operative", so, seeing that we were borrowing \$455,000 with nothing for assets but hope in the future, well – it's still a large name. However, we were now in a position to battle a little ourselves, except that we had nothing to fight with, and didn't know the game.

Propaganda was spread by scores of high pressure utility men during the fall and winter months. Everyone wanting light "could have them by Christmas", providing of course they signed up with the power company immediately. REA was nothing but "democratic bait"

anyway. Even if the government did build lines they would look like “a farmer’s telephone system”, and a man would have to give a mortgage on his whole farm. The foregoing is only a sample.

Rates were lowered from twelve dollars to ten, from ten to eight, and from eight to six. If a man was really stubborn, he could even get it for three. Of course the number of kilowatt hours was lowered too, but most of us were too dumb to know anything about that. Actually they cut everything from their rate but the “demand charge”. I still don’t know the meaning of, or reason for, the demand charge, but apparently the dollar-ten to dollar-fifty per month demand is something in the nature of a tax for the privilege of paying one’s bill.

Now it was that we began to find out how skillful our opponents really were. Those little fingerlike extensions, appearing to start without reason and ending nowhere in particular, began to assume their true shape. In all I do not think there were more than fifty miles of them actually completed, though we know easements for rights-of-way had been granted for many miles more. When realization of their nature finally came, it was almost too late. What they didn’t do to our project just wasn’t worth doing. Our four hundred miles extends in a long narrow strip, and those little “fingers” had cut through every main line we had contemplated building. The power company did not stop however, and take chances on our building around. Construction of these “spite lines” continued to the last.

In the meantime two other projects had been organized which joined us on the east. Their problems were the same as ours and for identical reasons. The old saying “misery loves company” was true in our case. We all got together to bemoan our predicament, but no one seemed to know what to do about it. It looked as though there wasn’t a chance to survive.

Then came the insidious propaganda again. At this stage it was to the effect that REA had served its purpose. It had been the means of waking the utilities up, and they were now ready to serve everyone. After all the main thing was to get electricity to the farmers and the power company could do that better than anyone else. So, the thing for us to do was to quiet down and gracefully withdraw.

They also used much more direct methods. Every director and prominent worker in the organization were pounded daily by these high pressure boys. Each was told that the others had

signed with the power company, and that he would be left "holding the bag" without service if he did not come along. It was almost our Waterloo. A few fell by the wayside and a good many more were willing to take the easy way out. I am glad to say, however, that most of us hated the idea of giving up after the battle we had gone through. We felt in our hearts that if we stopped, the power company would stop, and while those in more thickly settled sections would undoubtedly be taken care of, the man back on the hill road would be no better off than before. Too, we asked ourselves what would keep these present, comparatively low rates from going back up, once we were out of the picture.

In Washington, Administrator Maurice Cook was turning over more and more of the administrative duties of his assistant, that competent fighter, John M. Carmody, soon to be Administrator in his own right, and I must say that if the rest of the alphabetical Washington had department heads of Mr. Carmody's ability, integrity and force, the Democratic party would be mighty hard to whip in 1940.

Red tape, legal twaddle, and plain inefficiency, due mostly to growing pains, delayed new organizations in getting under way until the utilities were firmly entrenched, and projects like ours died, or almost died aborning. Administrator Carmody is fast changing all that. Now a project can get under way smoothly and in a comparatively short time.

Knowing something of the qualities of this man we decided to place our fate in his hands. We phoned and asked for an interview. He instructed us to write down specific incidents of the power company's battle tactics and bring them down. It was unnecessary to put them on paper. They were seared in our memory.

To this day we do not know the methods Mr. Carmody used in forcing an armistice. Perhaps he fought fire with fire. We only know that the feud was suddenly called off, and after a series of conferences held in Washington, it was agreed that all lines necessary to the building of our project should be turned over to us at their inventoried value. Now our troubles were over and we could go serenely on. - So we thought!

If anyone has the idea that getting a thousand or more farmers with strong Republican tendencies, one hundred percent behind a co-operative movement sponsored by a Democratic administration was a simple matter, just think again. In the first place, by no possible stretch of

imagination can an eastern dairy farmer be classified as a group-conscious individual. He is by very nature, an independent soul. Furthermore, he has had many sad experiences with group movements. Couple these facts with the un-blown-away smoke still lying over the battlefield, and you have the picture.

All of us wanted electricity at a price we could afford. Seventy-five per cent of us wanted it through REA because we knew that if it had not been for REA it would have been a long, long time in coming, if ever. But the grief that the other twenty-five percent caused was simply appalling. The staking crew and right-of-way man would go merrily on for several miles, then suddenly would appear one of those independent individuals giving orders to keep off. Some simply stated that REA could set poles on their land when REA owned it. Others, more broad minded, gave permission to go anywhere as long as we stayed in the fence rows - that is, if we were careful which fence rows we used. Still others wanted from five to forty dollars for each pole set on their premises, and we were without a dollar to our name. However, we have now completed over three hundred and fifty miles of line and I am happy to state that so far, we have not had to pay for a single easement.

Perhaps the least said about engineering and construction the better. Both have had their problems and both have created problems. There are unnecessary angles. Poles have been set off line. The engineer has blamed the contractor and the contractor the engineer. Both have stood united in blaming us, the farmers, whose faults should be acknowledged. We in turn have "cussed" everybody from Washington on down.

In fairness to all, however, I want to impress the fact that this has been like the "new baby", whose young mother had a world of theory but no practical experience. We all could do better next time. Even so, with all of our inexperience, the majority of our lines are splendid. It is unfortunate that the bad spots loom up like the "proverbial sore thumb".

"Growing pains" of the department in Washington will in time correct themselves. For a like reason, poor engineering and construction will also disappear. The whole trouble has been that everyone connected with rural electrification, and this includes the utilities, are just through the kindergarten stage. Soon however, we will finish high school and then electricity on the farm will come into its own.

It has been a year of hard work and worry with plenty of "bitter" along with the "sweet." Yet now we are told that we are still far from the home stretch, and that with the turning on of current, a whole new field of grief will open up.

Before bringing this article to a close, I wish to give a little friendly advice to the "million others" who will soon be having their own problems in rural electrification;

The word "Co-operative" appears in the name of all of these projects. That word signifies the one thing, without which, every project for rural electrification will shortly pass out of existence. Unified co-operation is necessary all the way down the line.

Beginning with REA headquarters in Washington itself, there is the development section to start the project off; the engineering and research divisions to study the feasibility and plan construction; the legal department to keep us within the law. Then comes the finance section to make it all possible. There must be co-operation here, otherwise REA would cease to function.

We retain a local attorney. He draws up the documents which make it possible to organize in a legal manner. He must co-operate with Washington, the state department and us. We hire a consulting engineer to lay out the job and supervise construction. He should co-operate with Washington, the board of directors, and the contractor. The contractor must co-operate with the engineer and the farmers. Lastly, it is up to us, the farmers, whose project the whole thing is, and who in the final analysis, if plans mature, will be the ones to pay the bill and own the lines. It is necessary that we co-operate with everybody, including each other. We must not refuse right-of-way because we dislike our neighbor. Rural Electrification is too big for that. We must not move the stakes our engineer has set, even though we feel that we are more capable for running the lines than he. To do so may throw a "dog leg" in the line, which if very bad, will necessitate three extra anchors and guys, one on the pole out of line and one on each adjacent pole. Neither should the engineer arbitrarily set poles in our best fields, if it is possible to go another route without additional expense. We must not refuse the contractor access to our land just because it happens to be in crops. To do so may hold up the entire job. Likewise the contractor should use care in going on our property. He should keep our fences up and the gates closed. Finally, we should not ask for special privileges, such as "moving the pole over there". This may cost anywhere from ten to a hundred dollars. Consider the additional expense if these

privileges were granted to each of a thousand members.

Co-operation is the keynote to the success of any project and all of my advice can be summed up in that one word.

A short time ago, as the haze of Indian Summer merged with evening's dusk, we finished our day's work at a little farm that nestled against the peace of wooded hills. A woman was there gathering chips for the supper fire. Seeing us, she paused. Tired eyes brightened. "Is it really and truly coming way back here?" she asked.

As I answered in the affirmative, I thought of the new electric range in our store room, lights at the touch of a finger, of washers, irons and other things. And so thinking, I drove back to my own home with its hot stove and dingy lamps, but a song is in my heart because I know that the wonder day will soon arrive when current will be turned on in a thousand more rural homes, and tired eyed men and women will give thanks for drudging hours saved. I am glad that I have had a small part in making it all come true.

Signed by - R. A. Steadman,
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