

acres for the plant site from Louis Papin (Papa). Voters once again supported an \$83,000 bond issue for light plant construction. In 1918, the Northern Colorado Power Company reinstated its lawsuit in the Colorado Supreme Court challenging Loveland's power to issue bonds to build a power plant. The Court upheld the lower court decision that ruled the City had the right to issue bonds for the plant. After negotiations failed with Western Light and Power Company, formerly NCPC, to buy the distribution system, Loveland filed suit in District Court to condemn the property in 1920.



Ray Smith

In March 1924, the City Council selected Hendrie & Boltoff to build the hydroelectric plant for \$371,587. Subsequently, the *Loveland Reporter-Herald* published an article stating an attorney for Public Service Company of Colorado, formerly WLPC, announced to the Council that the Public Utilities Commission of Colorado had issued an order prohibiting the City from constructing a municipal hydroelectric plant because of insufficient reservoir capacity and high electric rates due to competition with Public Service. In addition, a lawsuit was filed by Franklin Trust Company in United States District Court to declare the bonds issued by the City void. Later that year, the Council hired Ray Smith as construction engineer and manager for the municipal electric system. Finally, on October 29, 1924, the Colorado Supreme Court ruled in favor of Loveland. Loveland gained the right to build and own a municipal electric system.

On February 11, 1925, the City started generating and distributing electricity having delivered the bonds to the Hendrie and Bolthoff Manufacturing Company. The cost for 500 kilowatt-hours would have been \$44.00 for lighting. It took strong local voices from 1891 to 1925 to bring municipally-owned power to Loveland.

**Community-Owned Power: 1926-1969**

Between the years of 1926 and 1969, the City Utility purchased an additional 400 acres of land surrounding the hydro plant site from Louis Papin (Papa). For standby power, the City built a diesel plant, contracted with Public Service of Colorado and the United States Bureau of Reclamation. The bonds for the municipal plant were paid off and the City's general fund repaid in 1939. The system grew as Loveland grew. To honor the leadership of Charles A. Viestenz and the dedicated service of Ray Smith, the City Council renamed the park as the Viestenz-Smith Mountain Park in 1969.

**Community-Owned Power: 1970 to 1999**

During the 1970's, Loveland committed to participating in the non-profit Platte River Municipal Power Association. The non-profit organization was to supply power to the City at the end of the contract with the U. S. Bureau of Reclamation. Then in 1975, The City of Loveland adopted the ordinance that authorized the creation of Platte River Power Authority, a joint action agency, as set forth under state statutes. Community leaders and staff from Loveland, Estes Park, Fort Collins, and Longmont joined to provide low-cost electricity to the cities and to insure an adequate supply of power for the service area.

Then in 1976, the entire hydroelectric plant was destroyed in the Big Thompson Flood. Willard Burr, plant operator on duty the night of the flood, narrowly escaped the raging waters. Burr watched the powerhouse and equipment destroyed in minutes from the road above the plant. The City obtained \$3.5 million to reconstruct the powerhouse,

dam and pipeline from the Federal Disaster Assistance Administration. In other action, the City authorized issuance of revenue bonds for \$9 million to upgrade and expand the electric distribution system in 1979.

Moving into the 1980s, the reconstructed plant failed in 1980 and was completely rebuilt. Finally, the plant began generating electricity in late 1982. Crews were upgrading and expanding the distribution system. Substations were upgraded and built. In 1985, the Council authorized refinancing the electric revenue bonds issued in 1979. In 1986, the Service Center Complex was completed and the Water/Wastewater and Light and Power Departments were now located on one site. In 1987, Brian Moeck, now General Manager at Platte River Power Authority, was appointed Light and Power Department Director.

In the 1990s, rate decreases and cost cutting measures were the major theme. In 1993, the Water/Wastewater and Light and Power Departments merged and became the Water and Power Department. Ralph Mullinix was appointed Department Director. The early retirement of the electric revenue bonds in July 1995 saved \$2.5 million. On August 1, 1995, electric rates were lowered because interest payments stopped. In 1995, deregulation of the electric utility industry gained momentum. Staff worked closely with Platte River Power Authority and the other cities to examine the issues. Benchmarking and cost comparisons were made. With more cost cutting, electric rates decreased again on January 1, 1996 and again on February 1, 1999. Now, the cost of 500 kilowatt-hours of electricity is \$30.03, which ranks fourth lowest in the state. On March 16, 1999, the City Council created the Loveland Utility Commission.

Citizens elected to the City Council and citizens appointed by the Council to the Loveland Utilities Commission work today to honor the long-term commitment to provide the community with low-cost and reliable electricity in the midst of a changing electric utility industry.

**Telephone Numbers**

- Billing questions or service requests: .....962-2111
- Call Before You Dig: .....1-800-922-1987
- Power Outage: 7 a.m. to 4 p.m. ....962-3581
- After Hours .....663-1043
- Water Emergency: 7 a.m. to 4 p.m. ....962-3720
- After Hours .....962-3456

Visit the Utility Web Site:  
<http://www.ci.loveland.co.us/City18.htm>

*Utility News is published monthly by the City of Loveland Water and Power Department utility conservation office. We welcome questions and comments. Contact us at 962-3566 or by E-mail at [doxtag@ci.loveland.co.us](mailto:doxtag@ci.loveland.co.us).*

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