

LOVELAND UTILITY NEWS

You enjoy the benefits from community-owned utilities. You get low electric rates, high quality water and a local voice.

JANUARY 2000

Local Voices for Local Utilities: Electric Service

Local voices count. Citizens vote, serve on City Council, serve on committees, raise money, and voice their concerns about their local utility services. Beginning with the establishment of the Department of Water Works in 1887, to the formation of a public sewer system in 1902, and to the building of the municipally-owned hydroelectric plant at the Vienstenz-Smith Mountain Park in 1924, local voices counted.

As we celebrate 75 years of community-owned electric service, all of the voices of yesterday combine with the voices of today. Citizen voices and leadership laid the foundation for the community-owned and operated utilities serving Loveland today. The local voices of the City Council and the Loveland Utilities Commission, along with staff, will guide these services in the next millennium.

Electricity: 1890s

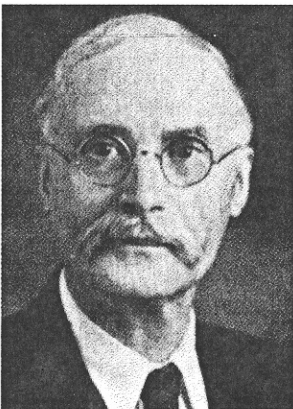
In 1891 and 1892, the Loveland Board of Trustees considered granting a franchise to a private company to build a ten-lamp electric light plant for about \$1,500. The matter was postponed indefinitely because of the lack of money. In 1893, private citizens raised \$2,000 to build an electric light plant. Another \$2,000 was needed to complete the project, so the light plant was not built. Again in 1895, the Town Board considered and did not grant a 20-year franchise. Subsequently, the Board agreed to pay for the operation of six arc lights at a cost of \$42.00 a month. In 1899, Ray Smith was granted a permit by the Town Board to put up poles to support the electric wires. The permit was void unless Smith had a light plant operational in five months. He did not.

Electricity: 1900-1910

In early 1900, the Town Board proposed a \$10,000 bond issue to build an electric light plant, and citizens approved building the plant. Construction was authorized, plans submitted and bids solicited. The Town Board rejected all bids and decided to obtain new plans, specifications and bids. Following the second

bid opening for the plant, Lee J. Kelim, part owner of the Big Thompson Mill, convinced the Board to delay action until he could present further information. In 1901, Kelim obtained a 10-year franchise to maintain and operate an electric light plant capable of furnishing at least 500 lights of 16-candle power each. Then in 1904, Kelim sold his interest in the mill and built an electric light plant. The plant built by Kelim still stands at 105 West Second Street. In 1906, Kelim sold his plant and distribution system to Northern Colorado Power Company (NCPC) that later became Western Light Power & Company (WLPC). Later, WLPC became Public Service Company of Colorado.

Community-Owned Electricity: 1911-1925

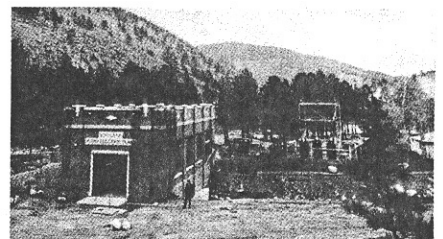


Charles A. Viestenz

In 1911, Charles A. Viestenz was elected to the Town Board. Then, the secret meetings, court fights, elections, heated arguments, citizen funding, editorial rhetoric, and the dedicated leadership of Charles Viestenz started. Loud and clear Charles Viestenz announced that the time had arrived for the Town to build and own its own power plant. In 1912, Ray Smith, Superintendent of the Longmont Hydroelectric Plant, addressed the Town Board about the benefits of municipal ownership. Viestenz then organized secret meetings to work out the details for building a hydroelectric plant near the Big Thompson River. Six businessmen formed the secret committee that met in the back of the Loveland National Bank.

In 1913, the Municipal Ownership Ticket was formed and gained a narrow margin on the City Council. Subsequently, G.W. Foster secretly filed for the water rights along the Big Thompson River about 16 miles west of Loveland, and the filing was accepted by the State Engineer. After the acceptance, the secret planning became public. Foster had made the purchase with the understanding it would be transferred to the Town. Shortly afterwards, the Council appropriated \$11,000 to begin construction work on the dam. A second report by the City Engineer about the success of Longmont's hydroelectric plant convinced the City Council to end discussions with Northern Colorado Power and go ahead with the project. The Council gathered community input and met with citizens about building the light plant. Northern Colorado Power ran a series of advertisements against the municipal plant. The citizens again voted to build a power plant by a vote of 257 in favor to 173 opposed. In 1915, work proceeded on the project with the Council proposing a \$79,000 bond issue for the project to continue.

Then, the lawsuits began. In 1915, a temporary injunction was filed against the City to stop the expenditure of money for the hydro plant. The case was dissolved and the City paid for the dam construction costs. Before the election on the bond issue for \$79,000 and Council election, the Greater Loveland Party formed to oppose the Municipal Ownership Ticket. The bond issue passed and the Municipal Ownership Ticket was returned to office by a 311 to 220 vote. On March 31, 1917, the Council secured the deed for 3.55



Hydroelectric plant built in 1924