

Energy Bill Could Lead To More Public Power

By Ley Garnett

PORTLAND, OR (2005-07-28) (OPB News) - Congress is nearing final passage of a voluminous energy bill that includes repeal of the Public Utility Holding Company Act, known as PUHCA.

As Ley Garnett reports, a local energy expert predicts PUHCA repeal will eventually spur a new movement for public power.

PUHCA prohibits investments in utilities by companies that are not in the energy business.

Portland energy consultant Robert McCullough says PUHCA repeal will set off a wave of utility mergers and acquisitions that will inflate electric rates.

That in turn, says McCullough, is likely to encourage formation of public utilities.

Robert McCullough: When energy prices become uncontrollable and it's impossible to audit private companies, the only solution is to find a governmental alternative. That's why we have municipal utilities all the way up and down the I-5 corridor.

Repeal of PUHCA would expedite the proposed sale of PacifiCorp to MidAmerican Energy.

That's because Warren Buffett's Berkshire Hathaway investment company has a controlling interest in MidAmerican Energy.