

Chapter 5: Tapping the Skagit

The Skagit River flows from British Columbia through the Cascades to a broad delta on Puget Sound. Prehistoric rivers of ice cut deep canyons ideal for hydroelectric power. Native Americans occupied the wildlife-rich river mouth and lower valley for millennia before the first Europeans visited Puget Sound. Indians seem to have used the remote upper valley only during the summer for hunting and fishing and to cross the mountains. Winter snows and frequent floods made the canyons untenable even for game year round. In the nineteenth century, miners and farmers found that they could not make much of a living up the Skagit either.

Mining companies were the first to tap the Skagit's power to generate electricity, but only for their own use. Charles Freeman of Bellingham formed the Skagit Power Company in 1905 and planned some dams to generate electricity, which he wanted to sell to towns and cities. The mining companies also got into the electric utility act with their own schemes. None of these ventures could locate financing, because utility giant Stone & Webster back in Boston quietly discouraged potential investors. Stone & Webster finally purchased Skagit Power in 1910 and obtained the necessary county and U.S. Forest Service permits for construction of dams. But the obstacles posed by weather and geography remained, and they built nothing. The permits expired in 1917, just as the U.S. entered the World War I.

When J. D. Ross went to Washington, D.C., in September 1917 to personally press Seattle's application for the Skagit permits, Puget Sound Traction, Light and Power and its parent Stone & Webster quite naturally opposed the idea. But Ross argued that without hydropower, City Light would have to keep burning fuel oil to produce the current needed by shipyards and the Navy. Puget Power had not started work on the project as it had promised. Given 18 months, Ross promised, City Light could complete a dam and a powerhouse to keep war industries running. The war was then expected to last through 1920, so Skagit hydropower would arrive in just time for the final push to victory.

Ross shouldered aside Puget Power's claims and had a chance to build the dams that City Light needed. He still had much work to do. First, he had to get the approval of the City Council, which was split on the wisdom of such a huge expansion by a municipal department. As the snows melted in May 1918, Ross hosted Mayor Ole Hanson and the Board of Public Works on a trip to the Skagit River, beginning what would become a tradition of promoting the project with visits. Hanson returned to Seattle an enthusiastic supporter of the Skagit Project and he worked hard to get the council to go along. Still, the Cedar River dam fiasco was fresh in many minds and the *Seattle Post-Intelligencer* called the Skagit Project a "white elephant."⁽¹⁾ Finally, the City Council resolved to build the project and approved \$1.5 million in utility bonds for construction of a temporary dam, a tunnel, and a powerhouse on the Skagit River.

When Seattle went to sell its bonds, Puget Power pulled strings with federal regulators in San Francisco to block the sale. After extensive investigations of the pros and cons of the project and lots of contradictory evidence, the bonds were approved for sale, only to conflict with a war bond campaign. By the time the bonds sold and Seattle had the cash to start, the Armistice ended World War I. Engineers did not reach the Gorge Creek site until late in the season and they had to suspend operations when winter arrived. The many site investigations and test borings took up the summer of 1919. The final permit from the Secretary of Agriculture came in December.

Originally, Ross had proposed a dam at Ruby Creek and an 11-mile tunnel to an immense powerhouse at Goodell Creek. After confronting the cost of such a project, Ross economized by substituting a relatively modest wooden dam at Gorge Creek and a two-mile tunnel to a

powerhouse. Reviewers at the Agriculture Department worried that any smaller project would preclude full development of the river. Ross submitted his proposal for the more ambitious Ruby Creek scheme with the plans for the smaller dam and shorter tunnel tucked inside. It all slipped by and Ross got a green light to build.

The test borings and surveys revealed the magnitude of the difficulties to be overcome in building along the Skagit. Costs mounted. The City Council did not entirely trust Ross with all the money, so they appointed Carl F. Uhden as the superintendent to run the project. Uhden proposed building a railroad instead of a road for the project and he received Ross's support. Ross was concerned about encroachment into the valley and espionage by the private power companies and did not want a road that just anyone could use. In 1920, Uhden's contractors built a rail line along the river from Rockport through Marblemount to Gorge Creek, a distance of twenty-five miles, and City Light controlled all access to the area. City agents bought up the small farms in the narrow valleys to make way for progress.(2)

The construction camp at the mouth of Newhalem Creek grew to a town of 1,000 with a school and a church, but without a name. When the City Council visited the settlement in 1921, some college students employed for the summer greeted them with a wood plank inscribed, "Welcome to Newhalem." The name stuck.(3) Uhden built a small dam on Newhalem Creek and a tunnel to a powerhouse. In August 1921, a Westinghouse generator produced power for the construction project, but none for Seattle.

When the railroad reached the Gorge Dam site above Newhalem, work began on a two-mile tunnel through solid granite between the dam and the powerhouse. Contractors dug the tunnel from four faces, one at each end and two more from an access tunnel in the middle. In the winter of 1921, floods, mudslides, and avalanches delayed work. In the spring, workers dropped their tools to hunt for gold. Then labor troubles, a forest fire, and a shortage of electricity pushed the schedule further back. Superintendent Ross had estimated that the first current would reach Seattle in 1921, but that year he admitted that it would be two more years before the Gorge Dam produced any electricity. Costs mounted and so did criticism. On July 24, 1923, a *Seattle Daily Times* editorial announced "Municipal Ownership Faddists Have Run Wild on Skagit Project" and "Meanwhile, from day to day it grows more certain that public ownership is an utter failure, and, like the direct primary, must be discarded."(4)

With the mounting costs, a concrete dam at Gorge Creek would have been too expensive, so Chief Engineer Uhden decided on a lower, temporary, wood structure, to be replaced by a concrete one in the future. The dam directed water into the tunnel that fed the Gorge Powerhouse at Newhalem.

On September 17, 1924, President Calvin Coolidge pressed a gold key in the White House and formally started the generators at Gorge. Current flowed to Seattle, one hundred miles away. The cost had been \$13 million, no bargain, and three years late, but the future of the Skagit and of City Light was secured. The only questions remaining were how many dams and where to put them. Ross wrote, "City Light has passed its small town stage. Its future construction must be of the most enduring and dependable kind. The next logical step. . .considering our demand, is the Diablo," the spectacularly narrow defile ten miles upstream from Newhalem.(5)

From 1924 until the 1940s, the principal obstacle to the Skagit Project was not meteorological or geological, but political. Superintendent Ross demonstrated that he was at least as good at dealing with the public and with politicians as he was at visionary engineering. Ross needed popular and political support to see the Skagit Project through and to make City Light the single supplier of electricity in Seattle. From the 1920s to 1941, Ross made the Skagit a

showcase for City Light and for public power. He realized that if people could just see the project, they would support it. At first, visitors consisted only of VIPs, but beginning in 1924, City Light began group tours on a small scale. Visitors enjoyed spectacular views of the mountain scenery and of the impressive construction activities. Because of the distance from Seattle, the visitors spent the night in camp and were treated to the same hearty meals fed to construction workers. Ross had the bunkhouses spruced up and workers installed lights on walking trails.

Beginning in the spring of 1928, City Light advertised regular tours during the summer months. Word quickly spread through community clubs and church groups, the foundation of Ross's and City Light's political support. Visitors drove to Rockport, the last forty miles on a gravel road. At Rockport, the tourists boarded a City Light train behind "Old Number 6" City Light's own steam locomotive, for the twenty-three-mile ride up the picturesque Skagit River Valley. At Newhalem, passengers detrained onto the neat main street to be greeted by smiling City Light employees. Guides directed people to clean dormitories, one for men, one for women (to the disappointment of honeymooners). City Light cooks prepared tasty meals in The Gorge Inn, the main dining hall in Newhalem.

In the evening, visitors were entertained with a community sing and with a beautifully lighted walk to Ladder Creek Falls. Ross brought in non-native plants, including specimens from President Roosevelt's Hyde Park estate, and animals to dress up the project. The following day, the tourists rode another train up to Diablo, toured the immaculate powerhouse (after 1936), and rode the incline lift up to the top of Diablo Dam. Barges and later a tour boat named *Alice Ross* (after Mrs. Ross) took passengers to the Ruby Creek site. For several summers, Ross populated an island in Diablo Lake with monkeys borrowed from Seattle's Woodland Park Zoo. At the end of their adventure, visitors returned to Rockport in the afternoon to find that their cars had been washed by City Light employees.

At the peak, 22,000 tourists a year visited the Skagit. By 1941, well over 100,000 people had viewed the project and had seen J. D. Ross's dream of the future brightened by electricity. The Skagit tours were an important part of Ross's plan to keep City Light and the Skagit Project in the public eye. World War II and the construction boom of the 1940s brought an end to the program. The exotic plants died off and the zoo animals went home. Tours resumed in the 1950s, but without the train ride or the overnight stay.

In 1927, work began on a dam at Diablo Canyon, five railroad miles up from Gorge Creek. Ross planned to build dams at Diablo and at Ruby Creek and thereby use the river three times. Work started at Diablo in 1927, but Councilmember Oliver Erickson thought he had a better idea. Erickson had once passionately believed in public power and low electric rates, lower even than was economical for City Light to provide. His motives apparently had shifted by the late 1920s.⁽⁶⁾ Erickson wanted to put the new dam at another location on the Skagit and he pushed his plan in the council. Erickson's idea would have precluded the third dam that Ross planned at Ruby Creek and Ross argued that the cheaper dam was false economy. The council commissioned studies to resolve the issues. The findings supported Ross's positions, and when Erickson was out of town, Ross got the Council to drop Erickson's schemes. Diablo dam went in where Ross had first planned it. When dedicated in 1930, it was the world's tallest dam at 389 feet.

The Skagit's principal attribute—a steep and narrow canyon—was also its curse. Moving people and equipment and supplies required a series of carefully coordinated movements and transfers. Trains with equipment and supplies were cut in behind a City Light locomotive at

Rockport and pulled twenty-three miles up to Newhalem. The valley was so steep above Newhalem that the steam locomotive had to drop some cars to make the run. Eventually electric locomotives were adopted to pull the trains to Diablo. At Diablo, engineers built the largest incline lift in the United States to raise rail cars with construction supplies and equipment 338 feet up the side of Sourdough Mountain to the top of the dam.

In 1930, Diablo generated no electricity, but even before it was finished, it regulated seasonal water flows at Gorge, and current to Seattle became more reliable. The dam also helped control floods that regularly inundated the fertile Skagit Valley below. Even before Diablo was finished, Ross proposed two 60,000-KW generators, more powerful than any yet in existence. But Ross knew that the electrical industry was steadily pushing its technology forward and that such giants were feasible. The generators arrived at Diablo just as the Depression dashed plans to finance the powerhouse. City Light put up a special building, complete with heat, to house the delicate machinery until the powerhouse was complete. In 1936, President Franklin D. Roosevelt pressed a telegraph key in Washington, D.C., that put Diablo Powerhouse on line with a 66,000-KW generator. The second unit came on line the following year. Diablo and its handsomely appointed powerhouse became the jewel in the crown for the Skagit Project and for Seattle City Light. A further distinction could be found in the fact the Skagit was one of the largest heavy construction projects completed in the United States during the Depression without the benefit of federal monies.

Ross planned a third dam on the Skagit at narrows called the Rip Raps below Ruby Creek. In 1937, construction began with federal funding on a variable-arch structure. The remoteness of the site resulted in expanding the intricate transportation system. Workers, equipment, and supplies made their way up to Diablo behind a succession of steam and electric locomotives, and up to the top of the dam on the incline lift. Rail cars and supplies and people were then loaded onto barges on Diablo Lake. Tugs towed the barges up to Ruby Creek. The Skagit canyon had to be widened with dynamite to accommodate the barges. Boats, barges, and passenger ferries plied Diablo Lake to Ruby Creek. A fully equipped boatyard and dry dock at Diablo supported the fleet. Those boats not hauled up to Diablo were built right on the lake. Everything that reached Ruby Creek traveled over this complicated system.

Engineers designed Ruby Creek Dam in four steps, the first finished in 1940. J. D. Ross had died the previous year so the dam and its lake were named after him. The second and third steps were completed in a single effort that began during World War II and ended in 1949 when the dam reached 540 feet. On the last day of 1952, the first electricity from the Ross Powerhouse reached Seattle. By 1956, four huge generators in the powerhouse added current to Seattle's growing load. Ross Lake backed far up the Skagit into British Columbia, and Seattle agreed to pay \$250,000, plus \$5,000 a year, to compensate Canada for flooded land.

City Light planners looked to build a fourth dam on the Skagit, but they shelved plans for a dam at Copper Creek in favor of the dam originally planned at Gorge Creek. In 1950, a concrete dam at Gorge Creek took over for the wooden weir built in 1924. Carl Uhden built that temporary wooden weir so well that parts had to be blasted away. And the City Light builders still were not done. Next came a high dam at Gorge Creek. Since the new lake would flood the railroad to Diablo, City Light removed the railroad down to Rockport and built a road.

A deep gravel deposit at the river bottom permitted the river to seep through, flooding the construction site. Engineers ran pipes carrying ammonia into the gravel, freezing the river. This "ice curtain" stemmed the flow while riverbed was excavated. The curtain did not go deep enough at first and the project stalled for two years before the technical, financial, and legal

issues could be straightened out. But finally, on January 6, 1961, Seattle officials dedicated the 300-foot-high Gorge Creek Dam.

Costs of the entire Skagit River Project totaled some \$250 million over fifty years, but Seattle engineers harnessed the one million horsepower of the river for a power-hungry Seattle.

Chapter 6: Power Struggles

Competition between private and public power, which did not become an issue nationally until the 1930s, divided Washingtonians in the 1910s and 1920s. In those years J. D. Ross became a leader of the forces for public utility ownership. The two sides of the issue collided head-on in the press, in the legislature, and at the polls. In the early years of City Light, each bond election became a referendum for municipal—called “home rule”—versus private ownership of utilities. Generally, the Republican political machine, business interests, and the *Seattle Daily Times* (later *The Seattle Times*) opposed any expansion of City Light. Against this, the *Seattle Star*, the labor-owned *Union Record*, progressives, middle-class and working-class voters, and labor unions supported the idea of municipal ownership. The *Post-Intelligencer* generally opposed municipal ownership, although its position shifted over the years.(1)

The private power industry formed the National Electric Light Association (NELA) as a trade organization. In addition to promoting the industrial use of electricity, NELA opposed municipal control of utilities, attempts by cities and states to regulate utilities, and organized labor. When cities like Seattle began to build their own lighting plants, the association decided to shift its position and to support regulation as the best way to oppose municipal ownership. A stable rate structure eliminated competition, which capitalists viewed as inefficient and even ruinous. Stabilizing rates would help attract investment capital to utilities. Also, it was easier for special interests to influence a single regulatory commission at the state level than to sway any number of city councils that granted franchises. Regulation of utilities in Washington was added to the charge of the Public Service Commission (founded in 1905 as the Railroad Commission and now the Utilities and Transportation Commission) in 1911, but this body did not govern municipally owned plants.(2)

NELA pushed legislation and ballot issues to bring the municipal utilities under the regulatory umbrella. These measures failed at the polls, but the association won a victory at the legislature in 1915 when the municipals were prohibited from selling their power outside city limits. If the companies could not compete with the municipals inside the cities, they could at least enjoy free rein in unincorporated areas. Rural residents could get the private companies to serve them if the consumers paid the cost of erecting poles and stringing wires. Farmers outside Tacoma got around this prohibition by forming their own utility company and extending lines into the city where they bought surplus power from Tacoma City Light.(3)

Other municipal plants in Washington usually lacked sufficient generation to do more than light their own towns and often bought the additional power that they needed from the larger, private power companies. Seattle City Engineer R. H. Thomson accused NELA of influencing bond dealers to not handle Seattle’s lighting bonds, making it more difficult to raise money for improvements.

If electricity was plentiful and cheap, Ross and others argued, industry would follow. This premise drove many of Ross’s decisions and figured prominently in his advocacy for City Light. The Niagara Falls region experienced an industrial boom built on cheap hydroelectric power. The potential of Northwest rivers and Puget Sound’s proximity to Asia appeared to put Seattle and City Light in a unique position to be a transportation and manufacturing center. Ross envisioned all manner of factories relocating to Seattle to connect to City Light and generate jobs

and prosperity for everyone.(4) Ross's quick actions during World War I assured Seattle's source of hydropower and pulled City Light back from the brink of oblivion. When Skagit power reached Seattle in 1924, the role of the Lighting Department shifted from rate regulator and residential lighting supplier to "city builder." Ross had one million horsepower on the Skagit to realize his dream.

Ross's victory on the Skagit positioned City Light as a contender for sole supplier of electricity to Seattle, not just purveyor of a low-priced residential convenience. Ross regarded competition in the supply of electricity as wasteful. Two duplicate systems in one city required double the number of power poles and twice the wire and twice the labor. All the time and money the utilities spent battling each other should go into operational efficiency and lower rates—lower rates that would attract industry, lower rates that would improve the lives of average citizens.(5)

When Puget Power tendered offers for city lighting plants in Ellensburg and Aberdeen, Ross waded into the controversies with letters and information to bolster the arguments for public power. In time, Ross assured the power-hungry communities, tie lines would link all the municipal plants. Aberdeen stuck with its own plant, but Ellensburg eventually succumbed to the offers by Puget Power. Between 1924 and 1934, more than half of the 3,084 municipal utilities across the nation sold out to investor-owned companies that promised the reliability and efficiency of large, interconnected electrical networks.(6) The development of laborsaving electric appliances and radio helped to make utilities some of America's fastest growing corporations. America prospered in the 1920s and boosters credited the free enterprise system for the good times. To the many people who enjoyed these good times before the Great Depression, the private power companies were not doing such a bad job and electricity did indeed make life easier. The argument for public ownership, therefore, was not necessarily an easy sell. To win converts as well as customers, City Light knew it had to be cheaper and more efficient, not just, to use modern parlance, "politically correct."

Electricity from the Skagit reached Seattle in 1924, adding to load from the additional steam-powered units at Lake Union, which were completed in 1918 and 1921. The original plant at Cedar Falls was expanded in 1921 with a 15,000-KW unit—more than ten times the original size of Units 1 and 2. Another 15,000-KW unit was added in 1929. (The original generators were taken out of service the following year. They ended up in Ketchikan, Alaska, and in Brazil.)

Ross patiently built a constituency in Seattle among public power advocates. One aspect of Seattle city government made this possible. Since 1910, members of the Seattle City Council were elected at large rather than from wards or districts. This led to the evolution of community and commercial clubs to represent the interests of individual neighborhoods at City Hall. Merchants, men, women, boys, and girls organized to address the need for sidewalks, parks, paved streets, and, of course, street lighting and electrical service. If a politician wanted to get elected, he or she had to deal with the community clubs, which could field supporters to help with campaigns. The Superintendent of Lighting took every opportunity to build support for his department and for the cause of public power. City Light became a model around the state and across the nation for municipal ownership.

In the 1920s, the Seattle city limits ended at N 85th Street. A group of community organizations called the North End Federated Clubs combined, with Ross's help, to form their own power distribution cooperatives that ran their wires into the city to buy power just as the farmers outside Tacoma did. That strategy not only provided revenue for City Light, it pulled customers and business away from Puget Power. Many evenings, Ross could be found

addressing the numerous community and commercial clubs in the Seattle area on the benefits of City Light and the future brightened by electricity.

In 1925, Ross helped organize The City Light Patrons Club and its more active counterpart, The Friends of City Light, to champion the cause of Seattle's lighting plant and to refute the propaganda published by Puget Power and the National Electric Light Association. That year, the Friends fought a charter revision backed by business interests that would have placed Ross and City Light under a city manager. Because the measure also would have slashed City Council salaries to \$500 a year, opponents called it the "Rich Man's Charter." The charter measure was defeated and after this, Ross used politics overtly to further the interests of City Light.(7)

In 1926, The Friends of City Light took part in the election for freeholders (to draw up a new city charter) and published a pamphlet entitled *The Following Candidates Are Fair To City Light*. The Friends of City Light was open to anyone with ten cents and a willingness to sign the following:

I pledge my energy and my influence to perpetuate the good name of our City Light and to work untiringly to bring to Seattle the lowest electric rates in America, in order that Seattle may become the capital of the cheap power empire of the world.(8)

The Friends even had a nightly radio program on radio station KOL called *Mr. and Mrs. Citizen Speak*. Mondays, the organization encouraged members to voice their views by filling out a card available at any City Light branch office. Tuesdays, the letters were read over the air. Other days, shows featured speakers, including Superintendent Ross.

Between 1917 and 1930, City Light's load grew from 59 million KW to more than 384 million and the number of customers served doubled. With the invention and distribution of new consumer devices such as electric refrigerators and radios, the average use by each customer doubled. Ross opened five branch offices around the city, each staffed by a salesman working on straight commission who offered appliances for sale on credit.(9) Home economists taught homemakers how to use the new laborsaving devices. Service men stood ready to install the new purchases. The new City Light Building at Third Avenue and Madison Street opened to customers in 1935, complete with an appliance showroom and a demonstration kitchen. The utility had grown to more than one thousand employees with operations as diverse as an auto repair shop, a railroad, a fleet of boats and a boatyard, warehouses, a blacksmith, a hotel and restaurant (during the summer), general stores, and a telephone system, not to mention the generation and distribution of electricity.

The competition and the incessant attempts to discredit Ross and City Light served to generate what historian William Sparks calls an "efficient business organization" and "a model municipal enterprise."(10) The accounts and books were under constant review and Ross and his staff earned high marks for their efforts.

In 1937, the City Light Employee's Association began publishing *Your City Light News*. The in-house paper delivered news of the utility and the activities of the association. Fishing derbies, retirements, births, deaths, marriages, and news of the public power movement were covered. Since the City Light family extended across three communities, Seattle, Cedar Falls, and the Skagit, comings and goings "at camp" filled their own columns.

By 1930, more Seattle residents cooked on electric ranges than in any other large city in the nation. They consumed twice the electricity for half the average rate. Across the United States, seven homes in ten had electricity, but in Seattle, virtually every home was connected.

Competition in the electricity market in Seattle saved consumers approximately \$10 million a year.(11) Ross's vision of city building was realized not in factories, but in homes. The old war with the private utilities intensified.

City Light's enemies were not idle. In 1922, Puget Power covertly organized the Voters' Information League to mount an information campaign against arguments for public power and to undermine the Skagit Project with allegations of poor design and mismanagement. The *Seattle Daily Times*, the Chamber of Commerce, and the Washington Committee on Public Utility Information joined the league in the criticism of Ross and City Light. The league prepared literature and paid teachers and college professors to present its message in classrooms. Speakers and pamphlets subsidized by the League sang the praises of private enterprise. In 1922, corporate interests sponsored a state referendum to limit municipal ownership, which, however, failed at the polls. Private utilities remained a chronic thorn in Ross' side, pointing up every failure and cost overrun in his department.

Despite its delays and controversies, the Skagit Project secured City Light's survival and, beginning in 1923, Ross focused on the message of public ownership of *all* electrical utilities. Competition between municipal and private lighting plants was useful at keeping rates low as Seattle had demonstrated, but the duplicate systems were wasteful. Ross had just visited Ontario and seen the benefits of a province-wide publicly owned power system where rates were low and rural residents enjoyed the benefits of electricity. Public power fit easily into the populism of America's farmers who always felt at odds with corporate interests and now found themselves gouged by private power companies.(12)

In August 1923, Seattle City Light and Tacoma City Light built a tie line so that the two municipally owned utilities could share surplus current in times of need. Any sale occurred inside each city's limits, thereby avoiding conflict with state law. Ross envisioned a network of transmission lines that stretched from Canada to Mexico and from the Rockies to the Pacific Ocean, connecting all utilities. Systems could support each other and the hydroelectric bounty would benefit all, but the key was public ownership.

In 1924, the rural vote defeated an initiative backed by legislator (later U.S. Senator) Homer Bone to permit the municipally owned utilities to sell their power to rural areas. Bone helped the Tacoma farmers organize their own power cooperatives. But farmers across the state were told that big-city political machines would control their electricity and smaller cities were told that Seattle and Tacoma would control the power essential to industrial development. A Puget Power editorial, run in small-town newspapers as a condition of purchasing advertising, heavily influenced the outcome.

In the 1920s, the National Electric Light Association spent more than \$1 million in Washington alone to fight public power.(13) Stone & Webster authorized Puget Power to spend \$175,000 to spread their message. NELA reported in 1927, "The Seattle situation is of national importance. . .Its rates are continually cited as lower than those charged by privately owned plants. . .such a policy in Seattle is dangerous and requires refutation."(14)

"The Company" or "The Trust," as Ross called his opposition, worked behind the scenes to interfere with bond sales for the Skagit Project and tried to hurt City Light through the transit system. Seattle was saddled with debt from the purchase of the trolley system from Puget Power. Political pressure restricted revenue to a five-cent fare so the system struggled to make payments to Puget Sound Power & Light (Traction was dropped from the name in the 1920s, though the firm operated interurban trains until 1938 and buses until the early 1950s). Maintenance and reliability fell by the trackside. Stone & Webster pressured Seattle to tie this debt to the City's

general fund and to City Light's construction project bonds. This would have degraded the bond ratings and raised the costs of the new dams.(15)

Ross was a lightning rod for attacks by the private interests. Any criticism of City Light was prominently reported by the *Seattle Daily Times*. In 1925, the Savage Lumber Co. in Renton asked for City Light service by simply tapping into the Cedar Falls power line that ran nearby. (City Light still had about 600 customers outside of Seattle, an arrangement which predated the ban on power sales outside the city.) Puget Power filed suit against City Light and against Ross personally to stop the deal. The City Attorney refused to defend Ross in the suit and threatened to sue Ross himself for embarking on an activity not specifically authorized by ordinance. Ross dropped the power deal and the lawsuit went away. The legislature changed the law later that year to allow municipal utilities to serve customers in unincorporated areas.(16)

Opposition to Ross became personal. Ross often held business meetings in his Mount Baker home and he discovered a Dictaphone recording device hidden by unknown persons in his bedroom chimney. Ross told a journalist, "Oh, it's simply a part of the game. It is not desirable, but at times it gets absolutely funny. It is one of the items in the price a fellow has to pay that's all."(17)

The year 1929 was probably the lowest point in the fortunes of public power. There had been no political progress in municipal ownership since the World War I and many small municipal plants had sold out to private companies that promised the economy and reliability of larger systems. The economic boom of the 1920s generated confidence in the reliability of private enterprise and in the wisdom of corporate leadership. President Calvin Coolidge proclaimed in 1925, "The business of America is business"(18) and "We have everything to lose and nothing to gain by public ownership."(19) Private power interests were able to defeat a number of pro-public-power and municipal-ownership bills at the polls, in the legislature, and in Congress. After the failure of the Homer Bone public power initiative in 1924, it took Bone and the supporters of public power five years to rebuild a coalition with the Washington State Grange to float another measure for public utility districts (PUDs).

In the 1920s, City Light walked a narrow path between promoting the wider use of electricity through aggressive marketing and the sale of appliances, and a limited ability to supply the necessary power. The sales campaigns worked and customer demand almost tripled between 1921 and 1925, but Ross's detractors questioned his forecasts of load growth as part of their opposition to new dams. Two years after the opening of the Gorge plant, City Light was 20,000 KW short of demand. A drought in 1929 forced City Light to buy power from local lumber mills. Tacoma City Light made it through the winter only with the help of the aircraft carrier U.S.S. *Lexington*, which connected its generators to the city system. Seattle's Diablo Dam was nearing completion, but until 1936 Diablo would produce not one watt of electricity. Mayor Frank Edwards and Councilmember Oliver Erickson sniped at Ross and at City Light.(20)

From the bottom of this gloom, Ross continued to seek the regional and national spotlight and he formally spoke aloud what he had been accused of thinking for years: Buy out Puget Sound Power & Light and make City Light a monopoly in Seattle. He wrote, "The City Light output of power doubles every five years and the Company's present system would soon be a small portion of the whole. It would soon be forgotten."(21)

In 1929 the Federal Trade Commission revealed the extent to which Puget Power and the National Electric Light Association had been covertly working against public power, Seattle City Light, and J. D. Ross. Homer Bone teamed up with the Washington State Grange and together they collected the signatures required to place the "Grange Power District Initiative" on the

ballot for November 1930. The Public Utility District bill became law and Washington citizens were permitted to form their own electric companies. They could build their own power plants and even force the private companies to sell by condemnation. That November, public power advocates across the nation were elected to office, among them Franklin D. Roosevelt as Governor of New York.(22)

The City of Tacoma promptly announced that it would acquire the Puget Power system within the city limits when the franchise expired in 1931. Public power proponents saw freedom at hand. The hard times of the Great Depression generated intense resentment against corporations and spurred the creation of groups in Seattle such as the Unemployed Citizens' League. Along with unemployment relief and social security, the League embraced public power as one solution to the economic disaster. J. D. Ross had one of the loudest voices in favor of public power and his popularity terrified conservatives.(23)

In 1934, the federal government broke up the Stone & Webster cartel and Puget Power reorganized under a local board of directors.(24) The opponents of public power saw an open season on private enterprise and on the American system. City Light and Puget Power and their respective supporters ran newspaper ads, purchased billboard space, and took every opportunity to blow their own horns and to accuse the other side of falsehood and avarice. Ross and his opposite number, Frank McLaughlin of Puget Sound Power & Light published letters and spoke extensively. Ross, an early experimenter in radio, quickly took advantage of that medium to spread his message.

In 1935, the Federal Theatre Project, a New Deal program to employ playwrights, actors, and directors, produced *Power*, "the history, use, abuse and control of power." Ross helped with City Light sponsorship, lighting, and the use of power poles for posters. Invitations to the play looked just like utility bills. Although the production brought in audiences, its decidedly public power point of view enraged corporate interests and even Works Progress Administration officials. The director resigned from the project and the Federal Theatre Project shifted from current events to children's theater and Vaudeville.(25)

All the characterizations of the power industry by public power voices seemed to be confirmed when in the first years of the Depression, many of the nation's largest utilities collapsed. Samuel Insull's holding company empire crumbled, robbing thousands of small investors of the value of their shares. Beginning in 1930, Puget Power battled condemnation by the PUDs, sometimes successfully, sometimes not, over the next quarter of a century. As the Depression deepened, the champions of unrestrained capitalism found themselves besieged by a swelling army of homegrown economic populists, Upton Sinclair-style co-operators (active in the burgeoning cooperative movement), Norman Thomas's democratic socialists, big "T" Technocrats (a movement for "scientific government"), and even card-carrying Communists. One satirical billboard showed the private utility icon, Reddy Kilowatt, being dragged by a headsman with an axe to a chopping block for private enterprise.

Historian Robert Wing explains, "Puget Power was caught between City Light and municipal ownership advocates and its corporate parents. Not only was the parent interested in making a profit from the delivery of electricity, they required PSP to buy engineering, accounting, and insurance services. Those costs (and profits) could come under operating costs."(26) Operating expenses could be passed along to customers in the rates approved by the state regulators. Puget Power tried mightily to free itself of the stain of Eastern Capital by severing management agreements with Stone & Webster and by appointing Seattle businessmen to the board of directors. In 1943, Puget Power was reincorporated in Washington with directors

from the Northwest, providing a degree of local control. But by that time, The Company's days in Seattle were numbered.