
Interview: Joseph Neal

'Energy Is Not A Commodity'

Sen. Joe Neal (D-Las Vegas) introduced Senate Bill 269, on March 2 into the Nevada Legislature, to repeal all energy deregulation in the state. He was interviewed on March 5 by Marcia Merry Baker.

EIR: What will your new legislation do about the power situation in Nevada?

Neal: One of the reasons why we introduced SB 269, was to re-regulate our utilities. Even though we had not gone forward long into deregulation, we did have certain laws on the books that were headed in that direction. The bill itself, SB 269, is to reverse all of that, and give the authority to our Public Service Commission, to control the price of electrical energy within the state, and also the price of gas. They then would become as they were, prior to 1997, when we first entertained the idea of deregulating electricity.

However, we did not go as far as the state of California. We did put into law at that time, that the Public Service Commission would be the agency to determine when the market was right. Of course, they did not make that determination, and subsequently in 1999, another bill was passed to take the Public Service Commission out of that role, and put the Governor in that role. But yet, he was responsible for saying, when the market was "right."

Of course, I sent him a letter in early 2000, stating to him that he should take a look at this whole question of deregulation, and not go forward with it until the Legislature had had an opportunity to meet. So he agreed to do that.

Now he has gone full blown against deregulation, and said that he is not in favor of it. Because, as he put it, there was not sufficient supply of electricity to promote the issue at this time. Of course, we know that the Governor is just trying to protect his own butt, because he had allowed certain things to take place under his leadership, which did cause some rise in the prices of electricity in the state.

So, the Bill SB 269 is to reverse all of this.

EIR: Congratulations. Your initiative is welcome for other states, and for other countries, and for pushing Federal re-regulation. At present, there are isolated initiatives, such as the one-page re-regulation bill in the U.S. House of Representatives by Peter DeFazio from Oregon. Have you been contacted to collaborate?

Neal: Not particularly. We've had some calls, from the state of California. And one call from back East. Since I've been very active in getting around, we've been talking to quite a few people as to what is necessary to be done. Because, if you're going to change this whole atmosphere in terms of the energy question, you have to revert back to the fact that energy is a necessity, and not a commodity.

And so, that is the purpose of the legislation, and that is the message that we attempted to forge, by introduction of this bill.

EIR: The same companies, such as Edison International, which owns Southern California Edison, are trying to force themselves on nations in Asia and around the globe.

Neal: Well, I would like to say that any country that now has proposals to deregulate their energy, I would advise them to travel this road very, very, very carefully. Because energy is the source that is needed for the welfare of their nation, and you cannot turn that over to a process of commodity, or a process of speculation. To do that would eliminate the reliability of such, and place your nation into dire straits in terms of meeting its requirement of the general welfare through further industrialization of the nation.

EIR: On natural gas pricing—which had been deregulated Federally, beginning in 1978—

Neal: When we talk about energy, we include all of those sources.

EIR: What will happen next?

Neal: We're going to have a hearing on the bill. They will be forced to give us a hearing on it. Right now a lot of people are nervous about my testimony because they would like to have the people believe that the problem is due to the "shortage" of energy, and that you do not have the supply to meet the demand. My position in testimony, would be just the opposite. My position is, that we do have sufficient energy to meet the demand, we just have those individuals who are speculating on the cost of energy, and have run the prices up. So, we are attempting to remove those individuals from this particular picture, by re-regulating the energy in the various states.

EIR: Our publication will provide plenty of documentation that the "supply and demand" argument is a hoax.

Neal: When I hear that argument, I always ask: Show me the inventory. And no one has talked inventory yet. You are not seeing that in any of the statements. They are just making statements, that there is a shortage. They have people who buy into that. I say, okay, fine, if there is a shortage: Show me the inventory. Let's prove it by the inventory of the energy, Nobody has done that yet. . . . I thought those charts that John Hoefle developed [in *EIR*, March 9, 2001] were dynamite.