

facts about why Electric Rates have been increasing.

Here are some straightforward facts about what's behind higher power bills.

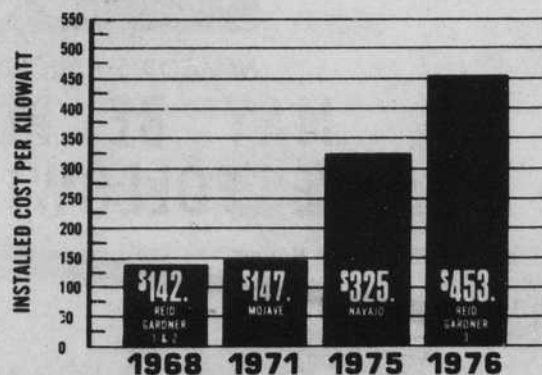
cost of production

	PRODUCTION COSTS	THOUSANDS OF KILOWATT HOURS SOLD
1973	\$23,317,477	4,121,061
1974	\$32,686,185	4,301,071

↑ INCREASE 40.2%
↑ INCREASE 4.4%

Compare the year 1974 to 1973. During that interval the use of electric energy on our system rose by only 4.4 per cent. Yet, during the same period, our cost of producing that energy increased by a whopping 40.2 per cent. The biggest single item was the higher price we had to pay for fuel.

cost of plants



In 1968, we could construct a power plant for \$142 per kilowatt of power produced. This year, we will pay \$325 to produce the same unit of power, and next year the investment will rise even higher. Inflation hits our business hard, as these figures show.

cost of pollution control

A clean environment is not only desirable, it is costly in terms of equipment, materials and reduced efficiency of the generating stations. In the past 10 years, Nevada Power has spent \$35,700,000 in the construction of pollution control facilities alone. Based on present plans we will have to spend an additional \$122,000,000 in the next 10 years.

It simply isn't possible to produce electric energy today for the same price we paid yesterday. And tomorrow will be no better. If we continue to use electricity, we must somehow pay for it. One thing is for sure...no one can any longer afford to waste it!

NEVADA POWER COMPANY

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