

Financial and Political Manipulation of LEC by Chairman Van Dommelen

To : Anyone interested in LEC (the Leuven EMTP Center at K. U. Leuven in Leuven , Belgium)

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I. Introductory Summary

LEC is the Leuven EMTP Center of Leuven, Belgium. Created in 1985, LEC seems to be under the permanent control of Professor Daniel Van Dommelen of the Electrical Engineering Department of the university (K. U. Leuven). Since the 1992 annual LEC meeting in Leuven, Chairman Van Dommelen has been involved in an unprecedented struggle with LEC's own democratically-elected Steering Committee about finances, accounting, and the voting rights of members. As a quick introductory summary of the problems, several points made by critics of LEC management will be summarized, after which an outline of the remainder of this long story will be presented:

Point 1. LEC bookkeepers do not carry over any unspent LEC funds from one year to the next. Instead, LEC funds that might be unspent at the end of one year simply disappear mysteriously. This is the amazing discovery of the Steering Committee last fall. Each year, LEC begins its accounting with a balance of zero, according to Chairman Van Dommelen.

Point 2. Precise accounting of LEC is impossible for anyone outside of LEC because substantial hidden income never has entered figures that are revealed to members. Organizations that pay their yearly dues late -- after August of any year -- are believed to be the principal unreported source as documented in Section IV-A.

Point 3. Chairman Van Dommelen seems to maintain that LEC members have no direct power to force the disclosure of all LEC income. Accompanied to Lisbon by the K.U. Leuven R&D Director (the lawyer

responsible for contractual matters of LEC), Chairman Van Dommelen refused to comply with demands for full disclosure. Since then, he has refused to commit LEC to abide by the outcome of a popular vote on the dispute. Section VI-A provides details.

Point 4. Profit from LEC's recent advanced EMTP short course, held at K.U. Leuven July 5-8, 1993, is not being added to other LEC income for the support of EMTP by LEC. Chairman Van Dommelen made this declaration in Lisbon. Like the hidden income of Points 1 and 2, profit from the 1993 EMTP course would seem to be destined for persons and/or places unknown to LEC members. It is sizable, too: approximately 1/3 of the gross revenue, according to available LEC data. This does not count the 20% overhead of Leuven R&D (actual expenses are only about half of gross revenue).

Point 5. Creative accounting by LEC has provided additional income of which few members seem to be aware. Depreciation of computer equipment was treated as an expenditure in LEC budgets that were presented at the annual meetings. Details can be found in Section IV-B. Unlike Points 1 and 2, the depreciation is not hidden, but it is deceptive since it is not a real expense. Use of depreciation augments the amount of money that each year was not accounted for precisely by LEC bookkeepers.

Point 6. The end of September appears to be the deadline for each current member to declare by registered letter his intention to leave LEC if he is to avoid automatic re-obligation for the following year (1994). Any member who wants to remain uncommitted through the upcoming great debate at the fall meeting is advised to withdraw from LEC **before** October. This way, the member could examine details of the dispute at his leisure. If he later decides to continue as an LEC member, he could rejoin for the following year at any time. On the other hand, if he decides that he wants nothing more to do with LEC management (a decision that would be easy for this writer to understand!), he has retained his freedom to leave without penalty at the end of the year.

For the record, the idea of quitting, and then rejoining, is provided by Article 21 of the 1990 LEC agreement, which reads: "*Any Party can terminate the Agreement at the end of every year by giving notice of three months by registered letter to the other Party.*" Carefully note the mention of "every" year. It sounds as though this would be a prudent thing for **every** member to do **every** year until LEC rescinds its September deadline. After all, the cost is low enough (one registered letter).

Detailed explanation and discussion of these points will follow in the remainder of this memorandum as follows:

Section II documents initial suspicions of the Steering Committee (the sudden insight of last fall in Leuven).

Section III discusses LEC's own proposal for reform, which was **not** accepted in Lisbon by the Steering Committee.

Section IV is reserved for a careful examination of the financial records that already have been released by LEC. This writer must concur with critics who charge that the annual balance of income and expenditures is not at all what the casual observer has been led by LEC management to believe it to be.

Section V explains those aspects of the ongoing dispute that are **not** of concern to BPA (Bonneville Power Administration) and the Can/Am user group (the Canadian/American EMTP User Group).

Section VI explains those aspects of the ongoing dispute that **are** of concern to the Can/Am user group. It ends with an ultimatum to LEC management: either submit to an independent, public audit of all income, and honor the voting rights of members as written in LEC membership contracts, or the Can/Am user group will,

by the end of the year, declare LEC to be incompatible, and will rescind its ongoing policy of sharing ATP information with LEC.

European EMTP life without LEC is the subject of **Section VII**. After considerable discussion with other LEC members, this writer does not believe the possible demise of LEC to be a bleak prospect at all. Members are reminded that LEC does not enjoy a monopoly on ATP in Europe or anywhere else in the world, and LEC has not dominated either ATP or EMTP development. So, the challenge is limited to providing alternate conduits for communication among existing LEC members and other ATP developers and users around the world. By reorganizing the flow of information, the average ATP user in Europe could gain. Companies clearly could save a lot of money (the present high LEC membership fees).

Finally, **Appendices A - H** provide a lot of background material for the preceding sections.

The present memorandum now is being mailed to Europe from Portland because LEC members have not thus far received any such useful information from LEC management in time to make an informed judgement prior to the end of September.

II. First Suspicions of the LEC Steering Committee

How much of LEC's 1991 income was left over (i.e., unspent)? The beginning of LEC's present financial embarrassment can be traced to this simple, innocent, unsuspecting question last fall at a meeting of the LEC Steering Committee in Leuven. Two days prior to the annual LEC meeting, members of the Steering Committee were considering the annual budget. What could be more natural? If a committee is to steer intelligently, it must know what resources are available to provide the power. Eventually, someone thought to ask about unspent funds from the previous year: How large were these? Members were not at all prepared for the answer from LEC Chairman Van Dommelen: LEC accounting begins with a balance of zero at the start of each year. That is, any LEC funds that were unspent one year are **not** carried over as LEC assets to be spent on EMTP work in following years. Instead, they disappear.

Really! If LEC were a commercial business, unspent money at the end of the year would be profit or reserves, and it would show up as such in accounting. But where is the complete accounting for LEC, and what reader ever thought of LEC as a commercial business?! Once one realizes that every last franc has not been accounted for, subsequent questions occur to even the most naive and trusting of minds: Precisely how much LEC money is involved? If payments were made, who benefitted from the transfers? On the other hand, if no transfers were made, why have members not been informed about details of the accumulation?

It seems the preceding shocking revelation about vanishing balances was learned after the Steering Committee already had been disturbed about certain dictatorial tendencies of LEC management. So, the Steering Committee unanimously named Prof. Correia de Barros of IST in Lisbon, Portugal, to be its representative to clarify such details with LEC later. Yet, when Prof. Correia de Barros later proposed from Lisbon that she travel to Leuven to receive details in person, Chairman Van Dommelen at first did not respond, and later announced that there was nothing to discuss.

Finally, in June, Chairman Van Dommelen simply announced that he would be accompanied to the Lisbon meeting by Hans Claes, the Administrator of K.U. Leuven Research and Development (referred to hereafter simply as "Leuven R&D"). Readers are reminded that the membership agreement used by LEC is with Leuven R&D, of which LEC is just one of many entries or projects or accounts.

In the absence of precise figures, one can only use data about LEC that already is known in order to estimate previously-unreported income. This is the function of Section IV, which reveals written estimates similar to

what were used to confront LEC Chairman Van Dommelen in Lisbon that Saturday in June following the European spring meeting. But first (the next section), consider LEC's own proposal for reform. It would seem that LEC Chairman Van Dommelen must have realized he was facing a serious challenge. By this modest proposal of his own, did the Chairman hope to avoid even bigger trouble? If so, he miscalculated (read on).

III . Van Dommelen's Own Proposal for Financial Reform

A financial reformation of LEC operation was proposed in writing by LEC management at the Lisbon meeting. The complete text of this, which ended a 4-page memorandum from K.U. LEUVEN R&D Administrator Hans Claes to LEC Chairman Van Dommelen on 19 April 1993, can be found in Appendix D. Although not approved by the Steering Committee, this proposal by Chairman Van Dommelen is revealing in a number of ways.

First, the proposed financial reform was to take effect next year. No mention of unreported income from 1985 through 1993 is to be seen. The proposal indicates recognition of the need to reform while also refusing either to correct or to make public details of LEC's financial manipulations of the past nine years.

Second, the proposed reform was to take effect in 1994 *"after approval of the General Assembly"* (members in attendance at the annual meeting). Again note the appearance of democratic control, which will be examined in more detail in Section VI. If today the LEC Chairman maintains that voting by members is non-binding, why during April was his proposal made contingent upon such voting?

Third, funds to be put under the control of the members might be nonexistent. *"The yearly remainder"* is what is left over after LEC pays all of its bills including salaries and 20% overhead for Leuven R&D (up from 15% in earlier years). Simply by hiring more workers, or paying existing workers more, or traveling more, or dining more elegantly, LEC management could drive the surplus negative. It is not obvious that members would control much.

Fourth, the revenue of future EMTP short courses **was** part of the written proposal, but this was withdrawn by Chairman Van Dommelen after some members of the Steering Committee questioned some aspects of the agreement (including a demand by the Chairman for immediate approval). Chairman Van Dommelen explained that short course revenue was being withdrawn because the offer as stated was too generous! Section IV-C examines the sponsorship of short courses in more detail.

IV . Analysis of LEC Accounting : How much money is missing?

At best, LEC accounting that has been released to members of the Steering Committee is sloppy, inconsistent, and incomplete. Nonetheless, it provides the only numbers available, so must form the basis of the financial inquiry now being conducted. In fact, the same records are released to members every year: typically they can be found at the back of the bound proceedings of the annual meetings. Several aspects of these LEC records will be treated, beginning with a detailed consideration of all traces of unreported income (Section IV-A). Next, observations about depreciation will be presented (Section IV-B), and the small matter of EMTP News (Section IV-C). Finally, there will be estimates of the missing money (Section IV-D).

IV-A . Unrecorded membership fees paid after August

LEC accounting is artificially complicated and confusing because its periods do not correspond with those of membership agreements and income (which correspond with the calendar year). Although LEC staff would talk about yearly budgets at annual meetings in the fall, in fact any one of these was for the first 8 months of that year (January through August), and the final 4 months of the preceding year (September through December). It is this offset of 4 months that made it easier for LEC management to conceal from members part of its income.

To understand the principal mechanism for hidden LEC income, let's consider the first related entry in LEC accounting, which is found in the fall, 1988, figures. In a separate table, LEC had reported membership for 1988 to consist of 30 universities and 37 companies, so this explains the first line of the following LEC table of Income:

Members: $30 \times 15.900 + 37 \times 106.000$	4.399.000
Comett (expected): $334.403 + 485.886$	820.289
Newsletter: 61×1360	82.960
Non-payment (10 univ, 4 companies)	-583.000

Rows 2 and 3 (for Comett and EMTP News), need not concern us now. The subtraction (negative income) of row 4 is the critical item to be noted. If LEC membership fees for 1988 totaling 583K Belgian francs had not been collected by August 31st, then when and where will such fees be reported when later they might be collected? The answer is shockingly simple: generally **nowhere!** For example, this writer can find no trace in accounting of the following year. It is membership fees for 1989 (53×15.900 and 39×106.000) that begin the accounting of income for the following year. No entry for any late 1988 payments can be found.

One possible exception to the preceding general statement might be provided by the year 1991, for which the following new (exceptional) contribution to income has been observed:

Income September-December '90	+127.330
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But income from what? If one company had paid late its 106K for 1990, that would account for most of this amount. But there are other fees for other services that might explain this entry. For example, the 1990 accounting shows 10.600 to be the price for a "2nd version," and 1991 shows 15.000 to be the fee for a "3rd platform" and 2.000 to be the fee for a "2nd Rulebook." What combination of such diverse contributions might explain the above 127.330 is unclear. It seems unlikely that this single entry for 1991 represents an exceptional entry for otherwise-unreported late payments of membership fees. Whatever it is, this exceptional 127K is too small an amount with which to be concerned further.

Those who distrust LEC accounting make several arguments beginning with plausibility, common sense, and the laws of large numbers (statistics). How likely is it that none of the 45 members paid late the previous year (1987)? Readers are to believe that all 45 paid within 8 months for 1987 whereas a substantial 14 of 67 failed to do so the following year? For what seemingly are independent events (payment speeds of members), this looks suspicious. A more likely explanation is that there **were** some delinquent members in 1987, but these simply never were shown in LEC's accounting because they were not needed that year in order to create the appearance of balance (more about this later).

Curiously, the 1992 budget includes some discussion of late-paying members: *"In case all payments would be made, the gain would be augmented by 967.800 BEF, making a total of ... But this situation is unlikely because Yougoslavian members can not pay. A more realistic estimate is that we will be able to recuperate the membership fees of 6 companies and 1 university (see [7]). This represents a sum of $6 \times 116.000 + 1 \times 17.500 = 717.100$ BEF. Then the final gain will be ..."* Now, this is interesting: official LEC speculation that 6 companies and 1 university eventually will pay for 1992. If those parties who were delinquent in the fall of 1992 probably will pay, why would the same not have been true for many or most of the 14 delinquent parties of 1988, or for many or most of the 23 (see later paragraph) delinquent parties of 1990? Economic conditions

probably were even more favorable then: this was before the breakup of Yugoslavia, and the current European recession. What one learns from the 1992 report does not support the figures of previous LEC accounting: the absence of entries for payments after August just is not plausible.

During 1988, the 15% Leuven R&D overhead applied to **nonpaying** members as well as paying members. This is another curious detail. Why would LEC management pay Leuven R&D 15% of fees that never were collected? If later payments really never were expected, would any alert LEC employee not protest such charges to Leuven R&D? On the other hand, if instead it were expected that most of the then-unpaid bills would be paid later, there would be no great reason for LEC management to protest the arrangement, would there? So, Leuven R&D rules for collecting overhead on non-paying members may not be as outrageous as they seemed at first glance!

The 1990 LEC accounting reveals the most informative and unusual of all the subtractions for members who did not pay on time: 8 non payments for 1989

23 non payments for current year 1.428.721

Why would members who did not pay for 1989 show up in the 1990 accounting? It is true that no such subtraction can be found in the 1989 accounting, so this writer is not here suggesting a duplicate subtraction (that comes later). Rather, it would seem that LEC accountants decided 1990 would be a convenient time to add what was omitted the previous year. As further discussed in the next subsection, LEC accountants seemed to want the **appearance** of balance each year; and moving the 1989 figures to 1990 did further this goal. The accounting for 1989 already had balance (within 1 percent) without the subtraction, whereas 1990 figures including Comett showed a sizable surplus even after the 1989 subtraction had been transplanted. Rather than current balance, in 1990 LEC bookkeepers were writing about future balancing by more equipment purchases and new hiring. Again, the **appearance** of equity and responsibility is presented to trusting members.

The size of 8 compared with 23 (see preceding paragraph) is interesting because it provides indirect evidence of payments after August. Remember the 1988 figure: 14 members had not paid after 8 months (August). Two years later, 23 members had not paid after 8 months. These two non-payment rates after 8 months are nearly the same. For 1988 when there were 67 members, the 8-month nonpayment rate was $14/67 = 21\%$. For 1990 with 118 members, the 8-month nonpayment rate was $23/118 = 19\%$. But for the one year (1989) in between, the nonpayment rate is much lower: $8/92 = 9\%$. Note the inconsistency. The reader must now ask himself whether this is believable. Was Leuven R&D somehow and for some reason much more successful at collecting delinquent fees for 1989 than it was for the year before or the year after? Skeptics suggest a more believable possibility: the 1989 figure might be lower because it represents nonpayments after 20 months rather than 8 months. This **does** seem plausible --- that an 8-month delinquency rate of around 20% might be reduced to 9% after another 12 months of attempted collections. But note that this more plausible explanation implies substantial hidden (unreported) income by LEC.

Amateurish collection practices do not provide a believable explanation for the lack of reported collections after August. One year, many LEC members erroneously received collection notices from CERA Factors, a commercial collection agency. Leuven R&D later explained how the system was supposed to work: When bills were one month late, they were turned over to CERA Factors for collection. Clearly, this indicates aggressive pursuit of those LEC members who did not pay by the end of January as demanded. But where in LEC accounting are such late payments reported?

The 1991 budget details the following contribution to expenses under the heading "*Non-payment of membership fees*" :

1 non-payment for 1989

1 non-payment for 1990
13 non-payments for 1991

Non-payment - subtotal +853.900

What can this mean? The 1990 accounting already included as an expense 8 members who still had not paid for 1989. This was shown several paragraphs above. Does this 1991 information now mean that 7 of the 8 members finally paid? If so, CERA Factors is to be congratulated! But LEC bookkeepers are not, since they would be taking credit for the same one remaining delinquent member twice. The same would seem to be true for 1990, where the original 23 (see several paragraphs above) would seem to have been reduced to a single holdout within 12 months. Again, is this not an example of the same delinquent member having been counted twice? Even if there were no such double credit, one has to wonder what 1989 and 1990 data are doing among 1991 records. Well, they did further LEC's **illusion** of balance. The 1991 LEC accounting ends with the following bottom line :

BALANS = income - expenses	-253.308
(after cashing all backpayments - unlikely)	+600.592

Organizations that join for the first time during the final four months of each year form a second possible source of hidden income for LEC. Suppose a company heard about ATP during September and decided that it needed a copy immediately. Where would LEC record the associated payment for the remainder of that year?

No trace of such payments can be found by critics in LEC accounting. That is part of the problem, however: because there is no trace at all, it is impossible to estimate how much money might be involved. Yet, there are reasons to believe that this second hidden source is smaller than the first (late-paying members). For one thing, the act of joining late typically would not occur more than once for any one organization (whereas the same organization later could pay its annual bill late every year). Secondly, E-mail from K.U. Leuven on August 20 says the following above the name of Mr. Empereur: *"Invoicing after August was rarely done, as I usually encouraged interested parties to wait for the next year."* Since this is plausible, nothing more will be made of the issue at this time. Yet, it should not be forgotten.

IV-AA . Chairman Van Dommelen's Latest Explanation

Laurent Dubé directly challenged Chairman Van Dommelen about hidden income and disappearing surpluses in a letter dated 17 August 1993 (see Appendix F). In his response (FAX dated August 23), the Chairman wrote the following: *"The money reserves accumulated over the years have never been considered as (quote) "legitimate business profit". On the contrary I told you that any positive saldo has been included in a reserve fund for workman's compensation of the personnel employed by K.U.Leuven R&D for the operation of the Leuven EMTP Center (LEC). We have presented every year a rough cost evaluation, as agreed upon with the members in the bylaws of the old members (article 7), and a cost break-down and statement of income, as agreed with the latest members (article 10). These reports presented the agreed information as clearly and as completely as available information permitted on the date of their release. I therefore see no contradiction with either the reporting practice nor with the rights of the LEC members."*

Is this believable? If all surplus actually had been held in reserve for workman's compensation as might be required by Belgian law or responsible business management, why would the Chairman refuse to disclose the amount? Yes, after being confronted in Lisbon with evidence of previously-undisclosed LEC surpluses, Chairman Van Dommelen did mention workman's compensation; and critics naturally responded with a demand to know the amount. Prof. Van Dommelen flatly refused this, and has not complied since then, as far as this writer can determine.

If LEC income had been set aside each year for the recently-stated purpose, why would LEC accountants not have shown such a major expense over the years? How could employees who keep the records report faithfully such minor expenses as office furniture while failing every year to think about the need for reporting

the cost of workman's compensation from which they, themselves, might later benefit? Is this believable?

All agree that some money might have been held by someone for possible later claims of workman's compensation. But how much, and when, and according to what principles? Are missing LEC funds small enough to be explained this way? What if unreported income were 2 or 3 times what might be required either by prudent business practice or Belgian law? Only an accountant familiar with Belgian law and business practice could say --- after looking at actual numbers. Meanwhile, LEC management has refused to release such information to members. Why?

Even if all LEC surpluses were being held in reserve today as claimed, what would prevent LEC management from diverting most of this at some later time (e.g., after the closure of LEC)? The Van Dommelen defense of workman's compensation without supporting numbers would seem to raise far more questions than it answers.

Chairman Van Dommelen's assertion involving the phrase "*as clearly and as completely*" is erroneous. He can write this, but his statement is demonstrably false. Think about it, readers. Every year LEC releases accounting for the 12 months that end with August and begin with September of the preceding year. For example, the report released for the last (1992) annual meeting in Leuven begins with the following heading: "*I INCOME 01/09/91 - 31/08/92.*" Now, the omission of income during the first 4 of those 12 months is neither clear nor complete as these English words are understood on this side of the Atlantic! How stupid does the Chairman think his members are? The real significance of this latest response is believed by this writer to be far-reaching: If the Chairman can not be believed about such a simple, verifiable detail, why should anything else he now writes be believed? In retrospect, Mr. Dubé and other critics probably were too timid in their demands that LEC release corrected figures of income. What really would seem to be needed is an independent, outside audit of LEC books!

IV-B . Deceptive treatment of equipment depreciation as an expense

Depreciation of LEC hardware (mostly computers) began in 1987. The 1986 accounting indicates a desire to "*write-off APOLLO : estimated at 350,000 /year (4 years).*" However, due to disastrous erosion in the U.S. dollar (the currency used by LEC in 1986), compensating income would seem to be missing: there was nothing to subtract the depreciation from. But how was this relevant? Even if the dollar had not fallen, why was depreciation considered at all in annual accounting of income and expenses? Both management and members should want to know where their money is coming from, and where it is being spent.

Depreciation certainly would be appropriate for the building of reserves that later could be used for replacements of aging equipment. But this clearly was **not** the method of LEC management. As seen in Point 1 of Section I, LEC management began each new year with a balance of zero (the problem of vanishing surpluses)! So, LEC's use of depreciation must be contemplated with extreme skepticism.

The 1987 accounting shows two entries for depreciation under the EXPENSES heading. They are:

write-off APOLLO (over 4 years)	400,000
write-off WYSE (over 4 years)	100,000

The problem is, these are not expenses! During the year, a 286-based WYSE PC apparently was purchased for 400K. That is the real expense (assuming the 400K is correct). The 100K is imaginary if in fact the purchase was made using a single lump sum of 400K Belgian francs. So, why does the concept of depreciation enter at all? Critics of LEC bookkeeping charge that it is actual money that needs to be tracked, and this should be done in real time (as it is received and spent). Depreciation is not relevant.

When one revises LEC accounting to use actual purchases rather than depreciation, the apparent approximate

yearly balancing of income and expenses becomes more unbalanced. As has been seen, the change for 1987 is not great, although it is worth noting. Whereas LEC reported a surplus of 31,324 BF, the real amount was 131,324 BF --- more than four times as much. Later years show much greater changes as the volume of equipment increases. Taking 1990 as an illustration, the only "New investments" shown is 54K for a Mita Copier. Depreciation totaling 694K is a full order of magnitude larger.

So what was the significance of this balancing that seemed to be important every year? As an illustration, see the end of the 1989 accounting: "*So there is balancing.*" Well, apparently **not** as closely as LEC claimed, if one uses real money. This writer now must speculate: What might have happened, had members seen large amounts of money left over at the end of some years? Might they not have been more inclined to expect it as a starting balance for the following year? Could this be a practical motivation for the artificial balancing: distraction from real profits that were being (or later were to be) extracted from LEC's account at the end of each year (see Point 1 of Section I)? Think about it!

LEC's use of depreciation was not consistent, and this is another reason to suspect its motivation. One discrepancy is noted in 1989 where a separate section labeled "Equipment" has two entries:

DN3500 : 0.25 * 768.377) 192.094

(depreciation over 4 years)

Canon Laser printer 129.705

So, a new Apollo DN3500 was purchased for 768K, and a Canon laser printer was purchased for 129K. Why is the first item depreciated whereas the second is not? I.e., why does one see only a quarter of the price of the first entry whereas all of the price of the second is taken as an expense? A separate section for "*Computer maintenance & depreciation*" has entries for four computers, but no depreciation (the final item of the table) is seen there for either this new Apollo workstation or the Canon printer. If the Apollo were being depreciated, its 192K logically should appear there.

Now, at this point an LEC supporter might wonder why any critic would quibble about such a minor inconsistency as the location of one subtraction. The answer can be seen in accounting of the following year. Under the heading "*Materials, equipment (write-off; 3 years)*," the 1990 records show two old friends:

write off DN3500 - 2nd year 256.126

write off Canon Laser printer - 2nd year 43,235

The second of these is of particular interest. Yes, three times this 43.235 exactly equals the 1989 purchase price of 129.705 so we seem to have the same Canon printer. But how can 1/3 of the price now be subtracted after the total already was subtracted the preceding year? Yes, a second 43.235 is subtracted the following year (1991), too. While this is not quite "double billing," it comes close (it involves a factor of 1.67 rather than two) !

The shift from 4 years to 3 years as the depreciation period also is inconsistent. Whereas in 1989 only 25% of the DN3500 was subtracted, 33% is subtracted in both of 1990 and 1991. As a result of the change, 8% of the price was lost (there was no 4th year). That is, LEC never depreciated the DN3500 beyond 92%. This is a case where LEC bookkeepers failed to take advantage of a final subtraction to which they would seem to be entitled.

LEC's use of round numbers for some of its depreciation seems to represent a final inconsistency. Take 1989 as an illustration. Whereas the cost of photocopies seems to have been entered exactly (185.199), the 4th of 4 years of depreciation of the Apollo DN300 is exactly 400.000 and the third of 4 years for the WYSE PC is exactly 100.000 BF. While these figures might be exact, this possibility seems unlikely when one considers all components that enter the total price, including accessories and taxes. Also, as already shown, LEC's 1986 estimate was 12.5 percent lower: 350K. If exact figures were being used, why did this one jump by exactly 50K in one year? And why are later purchases entered believably (e.g., the 768.377 for an Apollo DN3500 in 1989)? It is neither consistent nor businesslike to account for small sums exactly and large sums only

approximately. Such inconsistencies by LEC only raise doubts about what the real, precise numbers might be.

IV-C. When and why do short courses earn money for LEC ?

It is believed that LEC short courses always have been profitable. The only question is: for whom? Did members know that some years (e.g., 1989) the LEC short course was shown as a source of revenue, whereas in other years (1987 and 1991) it was missing entirely from LEC accounting? As already well known (this was explained in the fourth point of Section III), this year the LEC short course might be missing once again.

As far as this writer can determine, LEC management simply diverted short course profits in some years for reasons that never were explained to the membership, and never were questioned by the membership until the great awakening of the Steering Committee in 1992 (Section II). This writer has yet to hear from a member of the Steering Committee who shared the understanding of Prof. Van Dommelen about the 1993 short course. General reaction to the LEC Chairman's announcement in Lisbon (see Point 4 of Section I) seemed to be one of shock. After all, it was Van Dommelen himself who had assigned to the Steering Committee the task of selecting teachers and course material for the enterprise! It also was he who signed the *"Report of the Steering Committee to the Membership of the European EMTP Users Group"* dated December, 1992. In Section 3 of this, entitled *"Budget for 1993,"* one sees the following entry under the heading *"INCOME"* of LEC's 1993 budget: Summer Course (3) 350000 BEF
The footnote reads as follows: *"(3) The same result of 1991 summer course was considered."*

Advertising for the course clearly indicated LEC sponsorship. This began with an LEC form letter dated March 2nd. Signed by both Chairman Van Dommelen and Manager Empereur, it was addressed to LEC members, all ATP users, and all user group representatives. One paragraph begins: *"LEC is going to organize its traditional bi-annual tutorial course for EMTP (ATP) usage."* This was followed on April 7th by E-mail from Prof. Bruce Mork's Fargo list server which began with the title *"Advanced LEC EMTP Summer Course."* Under the heading *"Target group,"* an explanation began as follows: *"This EMTP short course is offered by LEC to experienced ..."*

The Steering Committee had a right to be shocked by Chairman Van Dommelen's denial of short course income to LEC. This was Rude Awakening 2. Recall that Rude Awakening 1 concerned hidden income, and the zeroing of LEC's balance at the end of each year. Now one observes an even more effective technique for grabbing LEC money: arbitrarily decide not to add it to the LEC account!

Lack of written, legally-binding principles that govern EMTP education at K.U. Leuven would seem to have left Prof. Van Dommelen in control of the money. Maybe LEC members were tricked this time, but what can they do about it at this late date? Whether there are any viable legal remedies could only be answered by an attorney familiar with Belgian law. But even if there were, and even if the complainants were to prevail, what would they win? Suppose Prof. Van Dommelen agreed to restore short course profit to LEC. What would prevent him from pocketing all or part of it at the end of the year? Remember, money already disappears from the LEC account at the end of each year (see Point 1 of Section I)! Think about it, members! Learn from this experience. To paraphrase American talk radio host Bruce Williams, he who falls victim to the same scam (deception; fraud) a second time has only himself to blame.

IV-D. The journal EMTP Newsletter : was it an LEC publication ?

Beginning in 1987, LEC accounting shows income and expenses for the publication EMTP News (named EMTP Newsletter prior to the removal of Prof. Dommele as an Editor at the end of 1987). The 1987 accounting

provides some explanation: *"Only non-members of LEC have to pay: all LEC members receive the Newsletter for free."* This all seems logical enough except for one thing: immediately following the 1987 annual meeting, Chairman Van Dommelen informed this writer that the EMTP Newsletter was not an LEC publication! This surprising contention was documented by this writer shortly thereafter in a letter that was mailed from Leuven to New Delhi (to the Chairman of the Indian EMTP user's group, Mr. S. D. Tyagi of NTPC). This also explains why, in his own presentation three years later (1990), this writer raised the issue publicly. Quoting from the published, 1990, LEC proceedings (next paragraph):

2) *Question: Who publishes EMTP News? "LEC" was not the answer to this question the last time the issue was raised (the time of Prof. Dommel's removal as an Editor). Do LEC members understand what this means? Are they happy with the situation? The subject is raised by WSM only because he, himself, was surprised to learn that LEC was not the publisher of EMTP News.*

In his public response, Chairman Van Dommelen dismissed the inquiry with some quick response such as: "Well, of course EMTP News is an LEC publication. It ..." There was no explanation of why or how the answer 3 years earlier could have been different, and this writer did not pursue the point further at that time. But today, as he notices *EMTP Newsletter* in LEC accounting, he feels vindicated. The question must be asked: how could *EMTP Newsletter* not be an LEC publication in 1987 when its subscription fees were being treated as income by LEC accounting? Where is the logic in such a contention? On the other hand, we now know that LEC short courses sometimes were declared to be LEC activities, and at other times were not (see preceding subsection C). Chairman Van Dommelen just seemed to make such arbitrary decisions himself, on the spur of the moment; and for years his audience (sometimes including this writer) never seemed to question the logic. How blind and trusting we all were during those earlier years!

IV-E. Estimating hidden (undisclosed) LEC income

To estimate the total unreported accumulation of cash by LEC, known figures for each year will be considered in order. The number of companies and universities that LEC reported as members are shown in parentheses on the right of each yearly heading. The first two entries always will be the total income and expenses reported by LEC, with the latter including overhead of Leuven R&D (15% through 1992). Then come this writer's corrections or compensations, which are of four types:

- 1) Publication of EMTP Newsletter, which were handled as a separate item for 1986 and 1987;
- 2) Restoration (i.e., the adding back) of depreciation, which is **not** a real expense at all;
- 3) Purchases of equipment such as computers, copying machines, printers, and overhead projectors (these **are** real expenses);
- 4) Restoration (i.e., the adding back) of all entries associated with uncollected membership fees. If not all of these were collected later, it also is true that income from new members who join in the final four months of each year is completely missing (see the end of Section IV-A).

Of course, as this accounting is being assembled during early September, one does not yet have the official figures for 1993. So rather than official 1993 figures, the official LEC estimates dated December, 1992, must be relied upon as being the best data available. Finally, after each yearly accounting, there will be a table summing all yearly totals to produce the staggering estimated accumulation of 6,707,689. All numbers are in Belgian Francs, naturally.

1986 LEC Cash Flow (22C + 16U)

LEC reports its income to be :	2,186,454
LEC reports its expenses to be :	-2,278,353

Profit from EMTP Newsletter :	23,552
Yearly balance :	-68,347
1987 LEC Cash Flow (27C + 18U) :	
LEC reports its income to be :	3,051,040
LEC reports its expenses to be :	-3,019,716
Profit from EMTP Newsletter :	-926
Add back depreciation :	500,000
Purchase Wyse PC + printer :	-400,000
Yearly balance :	130,398
1988 LEC Cash Flow (37C + 30U) :	
LEC reports its income to be :	4,719,249
LEC reports its expenses to be :	-4,602,818
Add back member nonpayments :	583,000
Add back depreciation :	713,000
Purchase Apollo 3000 & PC :	-750,000
Yearly balance	662,431
1989 LEC Cash Flow (39C + 53U) :	
LEC reports its income to be :	7,485,110
LEC reports its expenses to be :	-7,439,347
Add back depreciation :	905,094
Purchase Apollo 3500 :	-768,377
Yearly balance	182,480
1990 LEC Cash Flow (49C + 69U) :	
LEC reports its income to be:	8,107,985
LEC reports its expenses to be:	-8,270,575
Add back depreciation	694,276
Add back member nonpayments	1,428,721
Purchase Mita copier	-53,550
Yearly balance	1,906,857
1991 LEC Cash Flow (61C + 77U) :	
LEC reports its income to be :	8,966,130
LEC reports its expenses to be :	-9,219,438
Add back depreciation :	490,531
Add back member nonpayments :	853,900
Purchase 386-SX, projector, PC :	-420,866
Yearly balance	670,257
1992 LEC Cash Flow (66C + 86U) :	
LEC reports its income to be :	9,537,200
LEC reports its expenses to be :	-8,945,692

Add back depreciation :	209,127
Add back member nonpayments :	967,800
Purchase 386 PC and 486 PC :	-152,967

Yearly balance :	1,615,468

1993 LEC Cash Flow (estimate) :

LEC estimates its income to be:	10,321,200
LEC estimates its expenses to be:	-8,713,055

Estimated yearly balance	1,608,145

Finally, we add all of the preceding yearly balances as follows to produce the total for 8 years of operation (sorry, no figures for 1985 are available):

Surplus for 1986	-68,347
Surplus for 1987	130,398
Surplus for 1988	662,431
Surplus for 1989	182,480
Surplus for 1990	1,906,857
Surplus for 1991	670,257
Surplus for 1992	1,615,468
Surplus for 1993	1,608,145

Total for all years :	6,707,689

V. Non-Concerns of BPA and the Can / Am User Group

Neither BPA nor the Can/Am user group is directly connected to LEC today, fortunately, so ATP developers in Portland are not directly and formally involved in the present dispute about LEC finances and political control. No money ever has been exchanged with LEC, and since the end of 1991, both BPA and the Can/Am user group has been independent of LEC in ATP matters. So, as disgruntled LEC members protest the actions of their management, neither BPA nor the Can/Am user group is directly involved.

Around the end of 1991, the Can/Am user group did propose to share ATP materials directly with compatible EMTP user groups, and LEC was included in this offer. Appendix C shows the story about this initiative as printed in our January, 1992, newsletter (Can/Am EMTP News). It should be stated explicitly that ATP developers in Portland have no complaint thus far about LEC's willingness to share its ATP materials, so compliance with this requirement is not an issue in the present discussion.

VI. Concerns of the Can/Am User Group

LEC principles **are** of concern in North America because ATP is involved. The reason is simple: LEC did not begin ATP, nor does it own ATP today; and LEC never has been free to do whatever it wanted to do with ATP. For the average reader, this is a more complicated matter that can be understood only after a review of some EMTP history.

The story of Appendix A may be this writer's first published account of how ATP was carried to LEC. This dates to the fall of 1988 when Thomas Grebe of Virginia Power in Richmond, Virginia, edited, printed and

mailed the first issue of the North American newsletter. This issue was received in Leuven during October while this writer was working there on ATP during his vacation. Note carefully the two requirements that were mentioned : *"honesty in all dealings and non-participation in EMTP commerce."* Nearly eight years later, this writer also recalls a third requirement that was mentioned in his verbal presentation: Chairman Van Dommelen was to serve without pay. Any reader who has easy access to photocopy of the transparencies that were used by this writer in 1985 might look for this third requirement.

VI-A. Can / Am Concerns about the honesty of LEC voting

Honesty is an obvious concern of anyone who considers the present assertion by LEC Chairman Van Dommelen that voting at LEC meetings was not binding on him or LEC. Over the years, there have been many votes by members. Not once during the five years that this writer attended annual LEC meetings did Chairman Van Dommelen ever explain to his audience that voting was advisory only. It was the Chairman who called for votes, and who always complied with the outcome. Included was voting about LEC rules themselves! While it seems to be true that early LEC membership agreements did not specify democratic control by the membership, neither did they authorize dictatorial control by the LEC Chairman.

Historical practice at LEC meetings appeared to be democratic, and LEC management seemed to encourage this view. For example, consider the following from the January, 1992, issue of the North American newsletter (see Appendix B) : *"Guido Empereur of LEC supported the idea in general terms while reminding your Editor that formal approval by the general membership would not be possible before next fall."* Now, why would LEC Manager Empereur mention possible later approval at the annual LEC meeting if voting by LEC members was not binding? Perhaps Manager Empereur was as surprised as members of the Steering Committee when he heard about Chairman Van Dommelen's recent creative assertion about the voting of members! A second example of voting by the membership was mentioned in Section III.

Do some members have voting rights whereas others do not? It is interesting to note that LEC membership agreements seem to have changed with time for reasons that are not obvious. A newer copy of the LEC membership Agreement, dating to 1990, has recently come to this writer's attention. It states the following on page 6 under Article 11: *"Each Member, attending the meeting, will have one vote. Members not attending the meeting do not have voting rights. A simple majority (over 50%) will decide issues. In case of a tie, the Chairman (Professor Dr. ir. D. VANDOMMELLEN) decides. A Member can be represented by several persons, but will have only one vote."* Does the member who signed this agreement in 1991 have voting rights whereas those who signed earlier agreements (without the mention of such rights) do not? Note that the 1991 statement about voting makes no such distinction between new and old members. In fact, it refers to *"each Member, attending the meeting."*

Laurent Dubé directly challenged Chairman Van Dommelen about such voting in a letter dated August 17th (see Appendix F). In his response (see Appendix G for this FAX dated August 23), the Chairman did not agree to be bound by votes of members. He wrote: *".... we have up to now fully followed all proposals on both financial and technical matters made by the membership, even when I personally did not agree with the proposals. I do not see how more democratic we can be than by consulting the general meeting and working along its proposals. I therefore, again, do not perceive any contradiction between operation and agreement."* I beg your pardon, Mr. Chairman! *"Consulting the general meeting and working along its proposals"* is not what the written LEC agreement of the preceding paragraph requires. It states that *"a simple majority will decide issues."* This is for the future (the upcoming annual meeting this fall), too --- not just for the past when Chairman Van Dommelen obviously felt less threatened by informed and aroused members. Finally, Mr. Dubé responded to LEC in a letter dated August 30th (see Appendix H).

VI-B . Can / Am Concerns about the honesty of K. U. Leuven Publications

Another concern about the honesty of Chairman Van Dommelen's involvement with ATP has nothing to do with recent threats to the democratic functioning of LEC. Instead, it concerns possible misrepresentation of ATP research and development by Prof. Van Dommelen to his own university (K.U. Leuven). The issue seems simple enough to this writer: How much (if any) credit should Prof. Van Dommelen receive within his own university for research or development that is performed **not** by LEC staff, but rather by LEC members or contacts? In recent months, several researchers seem to have been shocked by descriptions of their work that have been found in reports that are published annually by the Electrical Engineering Department of K.U. Leuven.

One description that was vociferously protested to Chairman Van Dommelen at the Lisbon meeting concerns the modeling of corona within ATP. This involves the ongoing cooperation of three LEC members: 1) Prof. Correia de Barros of IST; 2) MODELS author Laurent Dubé of Neskowin, Oregon, USA; and finally, 3) Vincent Vanderstockt of Laborelec in Brussels, Belgium. So, how does the 1991 report of K.U. Leuven describe the implementation of corona modeling in ATP? On page 47, under Section 2.3.2 entitled "*Short term projects*," one finds the following (entire next paragraph):

"e. Corona modelling (Prof. M. Th. Correia De Barros (IST), Ir. V. Vanderstockt (Laborelec), G. Empereur). Corona modelling becomes increasingly important for the modelling of very-high voltage transmission lines of the European intertie network. The Istituto (sic) Superior Technologica (sic) and Electricida (sic) De (sic) Portugal (Portugal) have an extensive experience in such modelling. A lot of European and United States power distributors show increased interest in such modelling. Accordingly, it was proposed to implement such model in the EMTP. Testings of separate routines already is finished. The first attempts to interface with the EMTP code were made in the month of October. This work was done in parallel both at Laborelec and K.U. Leuven, both using a different approach."

On a preceding page 44, under Section 2.3.1 entitled "Long term projects," one finds a shorter, second mention: *"Contacts were established with Prof. M. Th. Correia De Barros (IST-Portugal) related to corona modelling in EMTP. Also Ir. V. Vanderstockt (Laborelec-Belgium) and Mr. L. Dubé are involved in this project."* Finally, on later page 50, there is the following mention: *"19. Laborelec, Linkebeek, Belgium: 1) laboratory 2) testing of interfacing between EMTP and a Corona model, 3) ..."* This is under Section 3., which is entitled "COOPERATION WITH OTHER INSTITUTIONS." The introduction which precedes the numerous entries is as follows: *"In general, a close cooperation exists between our division and the"*

The problem is, neither LEC Manager Empereur nor anyone else in Leuven has been involved in any phase of the work that has evolved to become the present, well-known modeling of corona within ATP, which connects with Mr. Dubé's MODELS. Vincent Vanderstockt of Laborelec certainly has contributed, and both Mr. Dubé and Prof. Correia de Barros have worked with him at Laborelec when they were in Leuven for meetings. But no one from K.U. Leuven or LEC was involved in the project. If any *"attempt to interface"* or any *"testing of interfacing between EMTP and a Corona model"* were made in Leuven, results were not known to, or used by, the real developers. This would not seem to be a very good example of the *"close cooperation"* for which Prof. Van Dommelen and his associates sought credit. As announced in our April newsletter, the real, new corona modeling of ATP already has been summarized in a 1993 PSCC paper, which was presented in Avignon, France, on September 2nd. It is important to note that no credit for corona modeling was given to K.U. Leuven in this public summary by authors Dubé, Bonfanti (of CESI in Milano, Italy), Correia de Barros, and Vanderstockt.

BPA and/or Can/Am contributions to ATP development provide a second illustration. In the 1991 report, the following was found about this writer on page 44: *"Dr. W.S. Meyer (Bonneville Power Administration, Portland-Oregon, USA) assisted in unifying code corrections over the past year."* This was under the heading

"d. contacts with foreign researchers." Now, during much of 1991, BPA had been granted access to ATP by LEC, so there was a formal connection, and such a reference is not unreasonable. But toward the end of that year, BPA and the Can/Am user group broke with LEC as documented in Appendix B. Do you suppose this monumental event was recognized by K.U. Leuven editors? Barely. From the report of the following year (1992), one reads: *"Dr. W. S. Meyer (Bonneville Power Administration, Portland-Oregon, USA) assisted in unifying code corrections over the past years."* Conceivably this revised description, with its reference to *"past years,"* might remain useful for years to come (joke)! For the record, neither BPA nor the Can/Am user group assisted anyone in Leuven with anything during 1992. Rather, each agreed to share its ATP materials with the other (see Appendix C).

VI-C. Can / Am Concerns about LEC finances : Is this not EMTP Commerce ?

Unreported LEC income is another source of concern. The "A" of ATP stands for alternative --- a **noncommercial** alternative to the EMTP that was being advertised by DCG and EPRI. How can LEC continue to be considered noncommercial if it enjoys income that is not publicly accounted for, and if all unspent LEC funds, no matter how large or small, mysteriously disappear at the end of each year? Does LEC Chairman Van Dommelen believe that LEC somehow is exempt from the ATP requirement of non-participation in *EMTP commerce* simply because LEC has kept secret a part of its income, and does not report publicly what is done with unspent money at the end of each year? This writer hopes not. So does the other Can/Am Co-Chairman, Dr. Tsu-huei Liu, who has carefully considered revelations that followed the Lisbon meeting.

In 1991, LEC management had lost Can/Am and BPA confidence on both technical and political grounds, with the latter (politics) providing the basis for the split (see Appendix B). But no one in Portland ever had thought to question the financial integrity of LEC management. Such an idea had to await the revolution of 1993 --- led not by ATP developers in North America, but rather by concerned members of LEC's own Steering Committee. The Can/Am user group is indebted to its conscientious friends in Europe for first discovering, and then challenging, the now-obvious and conspicuous financial irregularities of LEC.

That ends Subsections A, B, and C of Section VI. If a single sentence were used to summarize concerns, it would be that LEC Chairman Van Dommelen has created an enormous problem of credibility with the Can/Am user group on the subjects of unreported income and voting rights of LEC members.

In the absence of a professional, independent audit of all LEC income since its inception in 1985, and explicit recognition by LEC management of the democratic rights of members (majority rule at meetings as written in membership agreements), the Can/Am user group is prepared by year's end to suspend its agreement to share ATP materials with LEC. This decision would be made because LEC no longer would be believed to be compatible for purposes of ATP development and usage.

VII . Alternatives to the Present LEC Operation

Suppose LEC were to cease operation at the end of this year. Should the average ATP user in Europe be concerned? The remainder of this section will consider what European ATP usage without LEC might be like.

Readers are reminded that the Can/Am user group will license ATP use anywhere in the world free of charge. LEC management may never have told its members, but it is **not** necessary for Europeans to pay LEC in order to obtain ATP. This was the significance of the 1991 break with LEC by the Can/Am user group: the effective LEC monopoly on ATP in Europe was broken. Details can be found in issues of the North American newsletter dated October, 1991 (see Appendix B), and January, 1992 (see Appendix C).

Electronic mail (E-mail) including the Fargo list server now link ATP users around the world, and such rapid, computer-readable communication can only grow in importance with time. Fortunately, this E-mail has nothing to do with LEC, and will continue whether or not LEC does. For those unfamiliar with the Fargo list server, this is an electronic bulletin board that presently uses computers of NDSU in Fargo, North Dakota, USA. Created and managed by Prof. Bruce Mork of Michigan Tech in Houghton as a free service to any licensed ATP user of the world, the Fargo server also stocks many disk files of common interest to the 130 or so subscribers. Files can be copied by anyone able to perform FTP transfers of Internet. Among ATP materials already stored on the Fargo server are the WordPerfect disk files of quarterly newsletters from North America since January of 1990. Disk file EMAIL.ZIP on the GIVE2 disk of Salford ATP distribution describes operation in much greater detail.

The annual spring meeting of EMTP users in Europe has little to do with LEC or anyone in Leuven. For more than a decade, it has been hosted by organizations outside of Leuven. Presumably this established pattern could and would continue whether or not LEC continued. If the yearly sponsor desired (or required) to recover all or part of its expenses, it could charge an attendance fee as IEEE does. Of course, any such extra fees should be subject to majority vote of a European EMTP user group that would both authorize the meeting and also publicly account for all of its income. For obvious reasons, this European user group should not be confused with anyone presently managing LEC.

EMTP short courses in Europe always have been held somewhere on the university campus in Leuven. But such location clearly is not necessary. Many other schools have laboratories filled with Intel microcomputers that are capable of running Salford ATP and TPPLOT in adequate fashion. The critical detail is course faculty, which never has come from Leuven in any consequential way. An obvious benefit of avoiding Leuven for the next EMTP course in Europe should be either lower course fees or better use of any profit. Potential students: why pay more (for 1993, about double) than the actual course expenses?

A commercial secretarial service somewhere in Europe could become a source of ATP materials for any licensed user in the world. The idea here would be to split off the business-oriented, mechanical operations of photocopying, disk and tape copying, and mailing, in order that they could be done by specialists on a commercial basis. Ideally, the work would be done at a location having lower costs. Almost any ATP materials that might be in demand could be stocked, and any licensed user could acquire whatever he wanted whenever he wanted it (and would be willing to pay the handling and mailing charges for it).

Note carefully that use of the just-mentioned commercial service should not be mandatory. Rather, the new service merely should provide an officially-approved, convenient alternative for many. The free sharing of ATP materials among any two licensed users would continue to be encouraged. Consulting companies and other universities could continue to spread ATP materials as they already are doing (see Appendix E).

Some new (disconnected from Leuven) EMTP user group would be required. As a minimum, it would be necessary to have a single address where inquiries about ATP could be directed. Logically, this would be the address of the Chairman, who would be selected democratically at the annual meeting. Note the fundamental change that this would imply (for LEC, there seems to be no alternative to Prof. Van Dommelen, whose name is written into membership contracts).

The present LEC subsidy of universities would disappear as a result of the preceding proposals. According to the 1991 LEC agreement, each company paid nearly 7 times as much as each university for the same services. On the other hand, even the 1/7 was sizable because LEC fees are high. If everyone just paid for what he actually used, it is not obvious that universities would lose from the proposed reform, on average. Companies would gain much financially, whereas universities would gain little.

Foreign user groups would lose the free LEC service that they have enjoyed in recent years. They would be

the clear losers of the proposed reform. But this seems only fair. Why should foreign user groups receive any more services than any other member? This writer would remind readers that the original LEC intention was to treat each foreign user group as if it were one company. But two had trouble paying, so in 1988 it seemed simplest and most consistent to waive the fee for all. One change that would favor foreign user groups would be the encouragement of sharing among licensed users: Any recognized foreign ATP user group could receive ATP materials from any licensed user anywhere.

Should substantial fees continue to be collected by any such new EMTP user group of Europe? This would seem to be the most serious question that still is being debated by present, reform-minded LEC members. All agree that a small amount of money might be needed to cover expenses of the Chairman. This would include travel to, and subsistence at, the annual meeting over which he would preside. Also, there would be postage for correspondence, and possibly a secretarial assistant to handle repetitious tasks such as form letters (if these were not passed to the preceding commercial service). But such expenses should be small compared with the present revenue of LEC --- perhaps one tenth or less of the 1/3 of a million dollars of annual LEC income. So, what should be done with the remaining 9/10^{ths}?

Those who oppose a continuation of substantial fees argue that the money is part of the problem when it is given to a continuing, fixed operation such as LEC. Today, LEC has about four times as many paying members as when it started. Yet, LEC today is not a center of innovative EMTP research; and no significant new EMTP modeling has resulted, as far as this writer is aware. Instead, much of the massive funding merely goes to support what one critic recently termed "*the infrastructure*" of LEC. Some 2 or 3 years ago, another former supporter used the less complimentary term "*black hole*" to describe LEC's lack of efficiency. Critics of continued spending argue that problems might be no less manageable at any other single, fixed site after employees became complacent.

Those who support a continuation of substantial fees argue that LEC is a bad illustration of what should be possible. For one thing, there is nothing natural or inevitable about disappearance of funds at the end of each year. Any replacement user organization would be expected to account for **all** money. Also, supporters argue that all money would not have to be spent in any one, single place (now, Leuven). Instead, it could be allocated to whatever project and persons seemed to be the most appropriate. Such decisions could be made by a democratically-elected steering committee, or even the membership as a whole (not a bad idea for final approvals). Supporters of continued substantial fees argue that it would be a mistake to eliminate most (e.g., 90%) of the present fee. It is said that once such payments are removed from most organizational budgets, later restoration would be difficult --- particularly in these recessionary times.

VIII . Concluding Summary Recommendations

If LEC members are unhappy with present finances or politics, they are advised to consider demanding reformation by withholding next year's money (remember the September 30th deadline). This would seem to be the only undeniable, direct leverage that members have. Of course, members are advised to attend the upcoming fall meeting in Leuven, if possible, and to be vocal about important issues.

Alternatively, if significant numbers of LEC members want a fresh, new alternative EMTP user group, they certainly are free to form it whether or not LEC continues operation. Just be careful about ATP principles. The Can/Am user group would recognize any honest, democratic, EMTP user group that might be formed in Europe to compete with LEC provided it could prove non-participation in EMTP commerce.

Appendix A. Story Copied from the September, 1988, Newsletter :

The Birth and Evolution of ATP and LEC

The birth of LEC (the Leuven EMTP Center of the European EMTP User Group) occurred about a year after the plan by DCG (the EMTP Development Coordination Group) and EPRI (the Electric Power Research Institute) to remove the EMTP from the public domain and sell EMTP as a commercial product for whatever the market would bear. Since many readers still are not aware of such basic historical facts about LEC, which is the licensing agent for ATP, a quick summary will be provided.

It was in the spring of 1984 that DCG and EPRI agreed informally to try to sell EMTP. A draft copy of the joint DCG/EPRI MOU (Memorandum of Understanding) was available for discussion in Leuven, Belgium, during the 1984 EMTP short course that began at the end of July, 1984. Whereas at that time Dr. Meyer was encouraging resistance to the proposed commercialization of EMTP, the dominant European sentiment would seem to have favored technical cooperation with DCG/EPRI. Such an idea was formally endorsed that year at the Fall Meeting in Milano (Italy), and was proposed in writing by a letter from the European Chairman (Prof. Van Dommelen) shortly thereafter. However, the reaction in North America (by DCG/EPRI) was not sympathetic. Europeans were informed that they could cooperate by paying for EMTP -- either individually or collectively. Following earlier written communication, this disillusioning news was carried to Europe in person by DCG Chairman Mader during the spring of 1985, and it would seem to have provided the incentive for rapid defensive organization. This included Article 10 of the LEC Agreement, which prohibits the disclosure of LEC EMTP information to nonmembers. Hope of assistance from BPA was provided by relevant U.S. law (the Freedom of Information Act, or FOIA), which was used during April of 1985 to ensure that BPA's EMTP would be given freely to others contrary to DCG/EPRI designs.

The roots of ATP had nothing to do with either LEC or the commercial inclinations of DCG, however. Rather, the beginning dates to January and February of 1984, when Drs. Meyer and Liu were not supported by BPA management in their attempts to enforce key provisions of the DCG Agreement. Initial design work occurred shortly after Dr. Liu resigned as DCG Chairman in protest, and Dr. Meyer halted his unpaid overtime work for BPA and instead began to devote his personal time to alternatives. The "alternative" became formalized upon Dr. Meyer's return from Europe in August of 1984, when a personal computer (IBM PC AT) was purchased, and when work began on ATP in earnest with the assistance of a Chinese visitor (Ma Ren-ming of the Wuhan High Voltage Institute in Wuhan, China).

Within one year, ATP had become a distinct, new program with substantial advantages. It was carried to Europe at the beginning of November, 1985, and proposed to the first annual LEC Meeting as the basis of cooperative, noncommercial EMTP development. Requirements of ATP development included honesty in all dealings and non-participation in EMTP commerce. The fall of 1986 saw Dr. Meyer upgrade his home computer facilities to a 32-bit Apollo workstation, after which his PC AT was sold to Dr. Liu. ATP was well established by July of 1987, when user documentation (the 680-page ATP Rule Book) was available and the program was used on three different computers (an IBM-compatible mainframe, Apollo workstation, and MS-DOS personal computer). This was for the 1-week EMTP short course offered in Leuven by LEC. By October of that year, at the annual LEC meeting, problems with BPA's EMTP were dismissed because LEC had completed the switch to ATP. Following the meeting, there was wide distribution of the MS-DOS version of ATP (beginning in the USA and Canada with the form letter dated December 2nd, 1987). At the end of 1987, the DCG Agreement (including a one-year extension) expired, and BPA ties with commercial EMTP development were ended. The following month, BPA formally and officially requested ATP from LEC, and has been evaluating and testing ATP ever since.

Etc. (one final, anachronistic paragraph about foreign user groups has been omitted deliberately).

Appendix B. Story Copied from the October, 1991, Newsletter :

User Group & BPA Break with LEC

LEC (the Leuven EMTP Center of the university in Leuven, Belgium) presently enjoys a monopoly on ATP licensing in Europe. This will not extend into next year, however. The North American user group has decided to sever its present tie to Europe no later than year's end, and begin ATP licensing based on its own authority as first suggested to the general public in the April issue (see the story entitled "*Ultimatum to CESI Task Force*" on page 2).

BPA ended its formal, written connection with LEC in a letter dated October 25, 1991. Signed by lower-level managers Hasibar and Liu, photocopy of this letter, as well as a draft of the present article, were hand-carried from Portland to Leuven by Laurent Dubé during the weekend of October 26th and 27th that preceded the 1991 annual LEC meeting.

One fundamental problem that the Can/Am user group has with LEC is LEC's apparent lack of any fundamental, unchangeable prohibition against EMTP commerce. It is convenient to quote from the Editor's April contribution to the CESI task force: "*What distinguishes LEC from DCG? Formed in 1982, DCG formally agreed in 1983 to keep the EMTP proper (the UTPF in its universal form) in the public domain. But then, the following year, DCG reversed itself and decided to try to sell EMTP --- including work paid for by BPA and other agencies of the U.S. government. What is to prevent a similar quick change of colors by LEC? Unless LEC goals and principles are clearly understood, and practiced, who at BPA should want a stronger LEC? Who at BPA would trust LEC? What has changed since 1984 when Chairman Van Dommelen formally proposed cooperation between the European EMTP User Group and DCG / EPRI? ... Well, task force members should understand that those at BPA have very long and very good memories of European EMTP politics during 1984 and 1985.*" Your Editor is not reassured that majority rule provides any meaningful guarantee. After all, the reversal by DCG was done by majority vote of the Steering Committee! No, non-commerce in ATP must be chiseled in stone like the Ten Commandments.

The split with LEC is not expected to affect ATP development greatly because LEC employees, who work at the University in Leuven, have not played a dominant role in the past. Neither should there be much concern about LEC support for ATP versions that run on other computers: Readers are to be reassured that the Can / Am user group never has distributed any LEC product. There simply has been little interest in an ATP version to run on IBM mainframe computers, or in GKS graphics for VAX / VMS computers. Those who use Intel 80386- or 80486-based personal computers that run MS-DOS or DR-DOS should feel particularly secure. This is because LEC involvement with this dominant segment of North American usage has been limited to its annual payment for DBOS license number 582, and this could easily be replaced.

Several individuals and organizations in Europe and Asia have made important contributions to ATP since its beginnings early in 1984. It is the hope and assumption of developers in Portland (both the user group and also BPA EMTP workers and engineering management) that such cooperation would continue with or without LEC dominance. This is critical to the plan to continue ATP development without LEC approval. It also is consistent with the original concept of ATP and its explanation to the first annual LEC meeting during early November, 1985.

For those readers who might be wondering "*Who controls what?*", the critical detail is this: at no time was control over ATP ever transferred permanently to LEC by those who did most of the work. As the Editor explicitly reminded his audience at an annual LEC meeting 3 or 4 years ago, the work remains the property of those who performed it and not much of this was by LEC staff. LEC will continue to act as spokesman for the ATP world only as long as those who have done the work, and will continue to do the work, want it to be so. Well, this is what now is scheduled to change by year's end. The Can/Am user group has decided to assert its independence from LEC. Following the break, the North American user group expects to pursue ATP development in cooperation with BPA and others who better share Can/Am goals, priorities,

and methods.

BPA has been offered ATP by the Can/Am user group under conditions that are more satisfactory than those contained in the present written agreement with LEC. As Dr. Bonfanti of CESI was told during his visit to BPA on September 30th, BPA can not allow any outside authority to disapprove of work that would be performed by a BPA contractor. An example is Laurent Dubé, who is being paid \$175K by BPA to work only on MODELS (the newer EMTP control system modeling) through February of 1994. Under the present agreement, LEC approval is required for any changes beyond the correction of isolated errors. As BPA's own public-domain EMTP is increasingly abandoned in favor of ATP, it has become critically important that BPA have the right to modify and further develop ATP according to its own needs. The Can/Am user group is prepared to satisfy this BPA need subject only to approval of the legitimacy of any changes. An illustration of potentially suspicious changes would include those that do not affect program execution at all. For example, changing statement numbers or imbedded blanks without need.

Relevant U.S. law (the *Freedom of Information Act*, abbreviated FOIA) would be carefully observed during all BPA (or other U.S. government agency) contributions to ATP. For non-prose computer files, the rule would be simple: any card image or similar record of line-oriented files would enter the public domain after being legitimately modified by BPA. This would apply not only to ATP itself (only the UTPF is covered in such a fashion by the February, 1990, written agreement with LEC) but also to all associated FORTRAN programs such as TPPLLOT or the many translators and their associated files. It also would apply to EMTP data such as the BENCHMARK DC-XX test cases. For line-oriented files, then, the procedure is both clear and simple: lines legitimately modified by BPA would be marked as being in the public domain.

Written English-language prose, which is clause-, sentence-, paragraph-, and chapter- or section-oriented rather than line-oriented, is less clearly regulated by FOIA. No final rules have yet been agreed upon for this aspect of program development. Yet, something workable certainly will be agreed upon as the need increases. One possibility might be to ignore isolated changes completely by dealing in no unit smaller than an entire paragraph --- which would become public if half or more of it were modified by U.S. government workers or agents. When it comes to the segregation of records, is this *reasonable* (the criterion that has been established by U.S. courts)?

It is possible that EMTP information might continue to be exchanged freely with LEC --- even after the inevitable break. If not, LEC (or its members) most likely would be the bigger loser, in the Editor's opinion. Certainly the Can / Am user group would not continue to share its work on the likes of Salford EMTP and TPPLLOT with LEC if LEC refused to reciprocate. Yet, this is a question for those in Europe; it is not for us in North America to decide whether LEC will cooperate with us.

In case of a complete rupture with LEC, we in North America would lose free access to *EMTP News* (the quarterly journal that we reprint and mail for \$15 per year), of course. For this reason, continuing subscription for 1992 has not yet been offered. Do not send checks to pay for 1992!

Will *EMTP News* continue to be used by ATP developers in Portland to announce improvements and changes? This is far from clear --- even if such contributions might still be encouraged following the break with LEC. If BPA were to take over ATP development, an alternative would be to have BPA do its own publishing as in years past. There has been plenty of experience (prior to the spring of 1984, some 2000 pages of *EMTP Memoranda* were written over a period of about 11 years). Certainly secrecy is not a concern: the publisher of *EMTP News* has been selling subscriptions to anyone, including paid agents of DCG and EPRI! Reports about ATP might as well be in the public domain (which would be the case if they were to be published by BPA). Of course, technology has changed during the last 7 or 8 years. Rather than distribute printed volumes of *EMTP Memoranda*, a single MS-DOS floppy disk of WordPerfect files might instead be used. Not only would this be easier and cheaper for BPA, it also would be more useful for the readers. Not

only can disk files be computer-searched for topics of interest, they also can be reproduced free of charge.

Following its break with LEC, the Can/Am user group plans to license ATP usage anywhere in the world by exchanging a single piece of paper (its *AFFIRMATION*). However, except for those with whom it is cooperating in development, it probably would **not** mail more substantial materials such as floppy disks or the Rule Book outside the United States or Canada. Intermediaries based in North America are expected to play an increasingly important role in world-wide distribution, therefore.

EMTP commerce is what presently is prohibited by the Can / Am user group. But is this a strong enough condition to remove conflicts of interest for those who declare that they want to cooperate? Now being considered is a change to: *no commerce in software related to any electromagnetic transients program*. Would the conflict of interest be any less if the program had a different name or a different heritage? All EMTP versions are competing products but not all competing products are EMTP versions. It is the commercial competition that reflects the conflict, not the program name.

The semi-annual European EMTP meetings, and EMTP short courses at K.U. Leuven, are no less deserving of praise as a result of preceding comments, it is important to emphasize. Criticism of some aspects of LEC does not imply criticism of others.

Appendix C. Story Copied from the January, 1992, Newsletter :

LEC and Other EMTP User Groups

LEC (the Leuven EMTP Center of the university in Leuven, Belgium) no longer is the licensing agent for ATP as distributed by the Can/Am user group. As announced in the preceding issue, our North American user group now is proceeding with ATP development under its own authority in collaboration with BPA and other cooperating individuals and organizations.

The Can/Am user group will be sharing all of its ATP materials with other compatible and cooperating user groups. It also will recognize the licensing of such partners provided they reciprocate. Contacted thus far about this idea have been the user groups for Latin America, Europe, Taiwan, Japan, and Korea. It should be obvious that time will be required to learn the extent of such possible sharing. For example, Guido Empereur of LEC supported the idea in general terms while reminding your Editor that formal approval by the general membership would not be possible before next fall (the annual meeting typically is held during mid-October). Both parties would seem to have agreed to share informally in the interim. There is believed to be no problem at all with Latin America or Taiwan, although written agreements have yet to be exchanged (most communication on the subject has been by voice telephone). Sharing with all ATP users in Japan poses a unique problem because of CRIEPI's connection with DCG (this might take some time to resolve). Fortunately, there would seem to be no such trouble with the Korean EMTP Committee (KEC) if one can believe FAX dated February 12th. Tae Won Kwon of KEPCO (Korea Electric Power Corporation) writes that KEC wants "*to work in close cooperation with uncommercial EMTP Groups ...*" To conclude, the politics of global sharing are proceeding slowly.

LICENSE.ZIP is the disk file on the GIVE2 disk of Salford EMTP distribution that contains the new user group licensing. A new form letter dated January 30th replaces the old one dated 2 December 1987. The size is unchanged (4 pages of letter precede 2 pages of detachable licensing), but content is quite different. Whereas 4 years ago details of the MS-DOS version dominated, today such information has been reduced to a single paragraph. Today, considerations related to Salford EMTP dominate, and WordPerfect has been used. As this story is being keyed on January 31st, the user group is preparing to send copies to other user groups for their

consideration (as mentioned in the preceding paragraph). It also is ready to use the form for the first time in response to continual inquiries. No longer is licensing restricted geographically. For North American use, there will be three sheets of paper as in the past -- easily mailed for one 29-cent stamp (the 1 ounce limit). But for international use, photo-reduction will reduce this to only 2 sheets in order to meet the 1/2-ounce limit for a single 50-cent stamp. Low-density (360-Kbyte) disks no longer are supported, and 3.5-inch disks (1.44 Mbytes) have been added. Only an old MS-DOS version is available, and this may never be updated. Etc., etc.

Approval of the EMTP writing of others is not one of the services that developers in Portland owe to LEC or anyone. This was clarified in FAX to LEC dated January 15th (remainder of this paragraph): "As a general policy, neither Tsu-huei, nor I, nor any other person in Portland plans to review LEC or any other writing for purposes of giving approval prior to publication. Your immediate interest was for publication in LEC's own journal, *EMTP News*, but the principle applies to any publication. We told you this verbally, and I repeat it here in writing to be sure that we have a record of the policy. One of the reasons we plan to resurrect *EMTP Memoranda* at BPA is to remove such complications of remote approval. We at BPA will do our own EMTP development, and we will publish accounts of it ourselves rather than in *EMTP News*. You in Leuven will do your own EMTP work, and you will publish your own accounts of it wherever and whenever you want. We are responsible for what we write and publish, and you are responsible for what you write and publish. We do not require your approval, and you do not require ours. We are willing to exchange published writings about EMTP with you (writing about EMTP is just another form of EMTP materials), but this will be after publication, not before."

The UTPF finally was sent to LEC on January 14th, by Federal Express, along with available installation-dependent files for Salford, VAX/VMS, and Sun. This was documented in 3 pages of FAX on the same date.

Appendix D. LEC Management's Own Proposal for Reform :

5. CONCLUSION

For all these reasons, K.U. LEUVEN R&D is willing to discuss with the Steering Committee the hereundermentioned proposals:

a) K.U. LEUVEN R&D is willing to make available 100% of the fees received by K.U. LEUVEN R&D from the EMTP Members and from the summer courses, after deduction of a general overhead of 20% by the University, all operational costs (e.g. floppies, telecommunication, faxes, travel, accomodation (sic), expense notes etc., but not limited to this), all personnel costs and the necessary provisions for workmen's compensation. No durable equipment, e.g. equipment which is put on an inventory list and depreciated, shall be bought with the funds of the Members, unless approved by the Steering Committee.

b) The yearly remainder shall be put at the disposal of the Steering Committee, who can use these funds for objectives approved by the General Assembly. K.U. LEUVEN R&D shall not attribute any interest to these funds.

c) K.U. LEUVEN R&D shall be solely responsible and liable for the labour contracts concluded with all LEC collaborators. This implies that K.U. LEUVEN R&D and only K.U. LEUVEN R&D, decides on the salary, the personnel policy, and the hiring and firing of personnel.

e) All durable equipment which is bought by K.U. Leuven R&D, after approval of the Steering

Committee, shall remain the full property of K.U. LEUVEN R&D.

f) K.U. LEUVEN R&D shall strictly abide to any legal or fiscal regulation which is in force in Belgium.

g) The above-mentioned proposal shall come in force from 1st January 1994, after approval of the General Assembly.

Appendix E. Sharing ATP Materials with Others Far Away

Recent issues of the North American newsletter, Can/Am EMTP News, have credited others with the spread of ATP materials to new places in the world. The following two paragraphs are copied from the January and April, 1993, issues, respectively.

Bulgaria and Poland are the most recent countries of Eastern Europe to express interest in ATP. It is Harald Wehrend of the University of Hannover who deserves credit for handling Bulgaria following a late-November visit to his university by someone from Energoproject in Bulgaria. In E-mail dated January 12th, Mr. Wehrend reports a request from these people not only to use ATP in-house, but also to *"give it to other interested engineers in Bulgaria."* Of course, following licensing (just the exchange of a piece of paper), this not only is possible, it is encouraged. Concerning Poland, ATP information and materials could be spread by U.S. Technologies, Inc. of Glenview, Illinois. More than the now-common domestic contract who merely would forward ATP materials to Europe by mail, Richard Bielowicz of this company explained by telephone on January 11th that he personally travels to Poland about once a month, and would be happy to spread the ATP word when he is there.

International consulting companies have proven to be useful in recent months in the spread of ATP around the world. Three examples have come to the attention of your Editor recently, and they deserve acknowledgement. First, during December of last year, Rao Atmuri of Teshmont Consultants in Winnipeg, Manitoba, Canada, supplied a visiting customer from Wuhan, China. During April, Dr. Mustafa Kizilcay of Lahmeyer International in Frankfurt, Germany, personally installed and demonstrated ATP for the Egyptian Electricity Authority in Abbassia, Nasr-City, Cairo. Finally, during early May, Alan Myers of Black and Veatch in Kansas City, Missouri, telephoned Dr. Liu to be sure it was acceptable to update an already-licensed client (EWR) in Saudi Arabia. It certainly was. The user group reiterates advice from its six-page form letter: *"The sharing of ATP materials among authorized users is encouraged. If one authorized user has newer or better materials than a second, the first user is encouraged to share with the second."*

Appendix F. Laurent Dubé Challenges LEC on Income and Voting

August 17, 1993

To: Prof. Daniel Van Dommelen
K.U.Leuven EMTP Center
Kard. Mercierlaan, 94
B-3001 Heverlee, Belgium

From: Laurent Dubé
7000 Rowan Road
P.O. Box 848

Neskowin, Oregon 97149
U.S.A.

Dear Daniel,

I do not accept the positions that you expressed at the June '93 Steering Committee meeting in Lisbon and in my long conversation with you after the July Summer Course in Leuven.

To summarize your two positions in this letter, you declare that:

1) you consider the financial details of the operation of LEC to be a private matter between you and K.U.Leuven R&D, and you are not obligated to disclose to the members the exact amount of the money reserves that you have accumulated over the years from the operation of LEC (what you call legitimate business profit);

2) you consider the control of the activities of LEC to be a private matter to be ultimately decided by you alone, and consequently you have no obligation to accept decisions taken by the Steering Committee (to which you now grant only an advisory function) nor to abide by any vote of the members at LEC meetings (which you say are only pollings of opinion).

As I have argued in Lisbon, and as I have repeated in my meeting with you in Leuven, I consider your positions to contradict:

1) what LEC members have been led to believe at every annual Fall Meeting in Leuven, namely that financial statements presented to us were complete and accurate, and that our right to vote to decide issues was of the essence of the normal operation of LEC;

2) what is the right of LEC members by contract, namely that "... The Center will further present a yearly cost break-down and statement of income ..." (article 10 of my agreement with LEC), and "...Each Member, attending the meeting, will have one vote. Members not attending the meeting do not have voting rights. A simple majority (over 50%) will decide issues..." (article 11 of the agreement).

Considering the implications of your position, I find no alternative but to bring these matters to the attention of everyone in full detail.

I am sending this letter to you on my own initiative and on my own representation. I now ask you to reconsider your position on both points, and agree to both democratic control of LEC by members and also complete disclosure of all LEC finances. I also ask you to communicate your reply to me before August 27.

If you do not now agree to change both of your positions, I am prepared to bring these serious points of dispute to full public attention.

If I receive no response from you, I intend to make this letter public.

Hoping again that this can be resolved very quickly and very simply,

Laurent Dubé

Appendix G. LEC Response to Dubé Letter of Appendix F

To: Laurent Dubé
7000 Rowan Road
P.O.Box 848
Neskowin, Oregon 97149
U.S.A.

From: Prof. Daniel Van Dommelen
K.U.Leuven - LEC
Kard. Mercierlaan 94
B-3001 Heverlee, Belgium

Dear Laurent,

I received your letter dated August 17th.

I am afraid that the wording of what you call my positions does not reflect our intentions and that you may have forgotten important key points:

The money reserves accumulated over the years have never been considered as (quote) "legitimate business profit". On the contrary I told you that any positive saldo has been included in a reserve fund for workman's compensation of the personnel employed by K.U.Leuven R&D for the operation of the Leuven EMTP Center (LEC).

We have presented every year a rough cost evaluation, as agreed upon with the members in the bylaws of the old members (article 7), and a cost break-down and statement of income, as agreed with the latest members (article 10). These yearly reports have been sent in advance with the invitations to the closed meetings, have been reproduced and distributed to all members in the minutes, and we have never received any complaint in doing so. Upon request of the steering committee members, we sent them again a full collection of these reports, since some of the steering committee members had not been members for so long. These reports presented the agreed information as clearly and as completely as available information permitted on the date of their release. I therefore see no contradiction with either the reporting practice nor with the rights of the LEC members.

I have already explained to you that what prevented me from relinquishing financial control was the realization that the three most vocal members of the steering committee - one of them being yourself - said they refused to bear any financial responsibility (sic) toward the personnel in case of dismissal and claimed that the workman's compensation must be available for general usage. This came as a shock as it has always been very clear to me that the workman's compensation is not available. It was not possible for me to evaluate a precise sum for this workman's compensation as this workman's compensation is legally fixed in Belgium either by agreement or by court order at the time personnel is notified of its pending dismissal. I therefore have always been prudent enough to consider any surplus as not available for anything else. I am also surprised that you fail to mention a reaction to our proposal. We proposed, that from next year on and under certain specified conditions, all positive saldo would be under full control of the steering committee for external projects after approval by the general meeting. I hardly see how more open and cooperative we could be. I must admit that I was so amazed at the hostile and suspicious reactions of Prof. Correia de Barros and yourself, that I was not in the least disposed to give out any additional figures (i.e. any more information than had been agreed upon). This position can, of course, be reconsidered.

As for the democratic control of the activities of LEC, I wonder if you realize that we have up to now fully followed all proposals on both financial and technical matters made by the membership, even when I personally did not agree with the proposals. I do not see how more democratic we can be than by consulting the general meeting and working along its proposals. I therefore, again, do not perceive any contradiction between operation and agreement.

In conclusion, I feel that these matters should not be the object of a private exchange of information between you and me, with a slight undertone of menace in the closing paragraphs of your letter, but should rather be brought up in full public attention of the steering committee or of the fall meeting. I further must say I do not appreciate how these matters have been reported in a one-sided way to Dr. W.S.Meyer.

Daniel Van Dommelen
August 23, 1993

Sent by fax on August 23, 1993
Original following by airmail

Copy to: Mr. H. Claes, director K.U.Leuven R&D
Dr. W.S. Meyer, BPA

Appendix H. Laurent Dubé Replies to LEC Response of Appendix G

August 30, 1993

To: Prof. Daniel Van Dommelen
K.U.Leuven EMTP Center
Kard. Mercierlaan, 94
B-3001 Heverlee, Belgium

From: Laurent Dubé
7000 Rowan Road
P.O. Box 848
Neskowin, Oregon 97149
U.S.A.

Dear Daniel,

I am sending you this follow-up email message in response to your reply to my August 17 letter.

1) Complete disclosure of all LEC finances

Either you don't understand what I wrote in my letter, or you are attempting to bring confusion to a very simple question. Contrary to what you reply, no one has ever "claimed that the workman's compensation must be available for general usage." What has been asked of you is simply to disclose, not disburse, the amount of the surplus that LEC has accumulated each year.

In the financial reporting to the members, LEC's accounting of expenses is well detailed, but the accounting of income is incomplete (sic), and the reporting of reserves is missing. In order to document the income figures, what has been asked of LEC is to provide the complete list of paid and unpaid membership fees, by member and by year, for all members since 1985.

You will recall that Mr. Claes has agreed to provide this list, when it was requested at the SC meeting in Lisbon. Only your suspicious objection to disclosing this information is holding its release. And only its release will remove my suspicion.

2) Democratic control of LEC by members

In your reply, you write: "I do not see how more democratic we can be than by consulting the general meeting and working along its proposals", and "... we have up to now fully followed all proposals".

I must point out to you that when members vote to decide an issue (their right by contract), they are not just being "consulted" and they are not just making a "proposal" to you.

Article 11 of the agreement is explicit. Members decide issues by voting at the Closed Meetings. Being chairman does not give you the liberty to follow or not what has been voted on, but only the privilege of resolving tie votes.

"... A simple majority (over 50%) will decide issues. In case of a tie, the Chairman (Professor Dr. ir. D. VAN DOMMELEN) decides."

My request on the point of democratic control is that you recognize publicly that all members have the same voting right to decide issues, not only those who have signed a more recent version of the agreement.

Hoping again that this can all be resolved quickly and simply,

Laurent Dubé

cc: W. Scott Meyer, BPA

----- **End of memorandum from Portland** -----

Final thought of WSM: If you miss the September 30th deadline but still want to terminate your LEC membership at the end of the year, check with your attorney. One might contend that LEC already has breached the agreement by its failure to report income during a third of each year.