

PUBLIC WORKS APPROPRIATIONS, 1966

HEARINGS

BEFORE THE

SUBCOMMITTEE OF THE
COMMITTEE ON APPROPRIATIONS
UNITED STATES SENATE

EIGHTY-NINTH CONGRESS

FIRST SESSION

ON

H.R. 9220

MAKING APPROPRIATIONS FOR CERTAIN CIVIL FUNCTIONS
ADMINISTERED BY THE DEPARTMENT OF DEFENSE, THE
PANAMA CANAL, CERTAIN AGENCIES OF THE DEPARTMENT
OF THE INTERIOR, THE ATOMIC ENERGY COMMISSION, THE
ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION, THE
TENNESSEE VALLEY AUTHORITY, AND THE DELAWARE
RIVER BASIN COMMISSION, FOR THE FISCAL YEAR ENDING
JUNE 30, 1966, AND FOR OTHER PURPOSES

PART 4

ATOMIC ENERGY COMMISSION
TENNESSEE VALLEY AUTHORITY

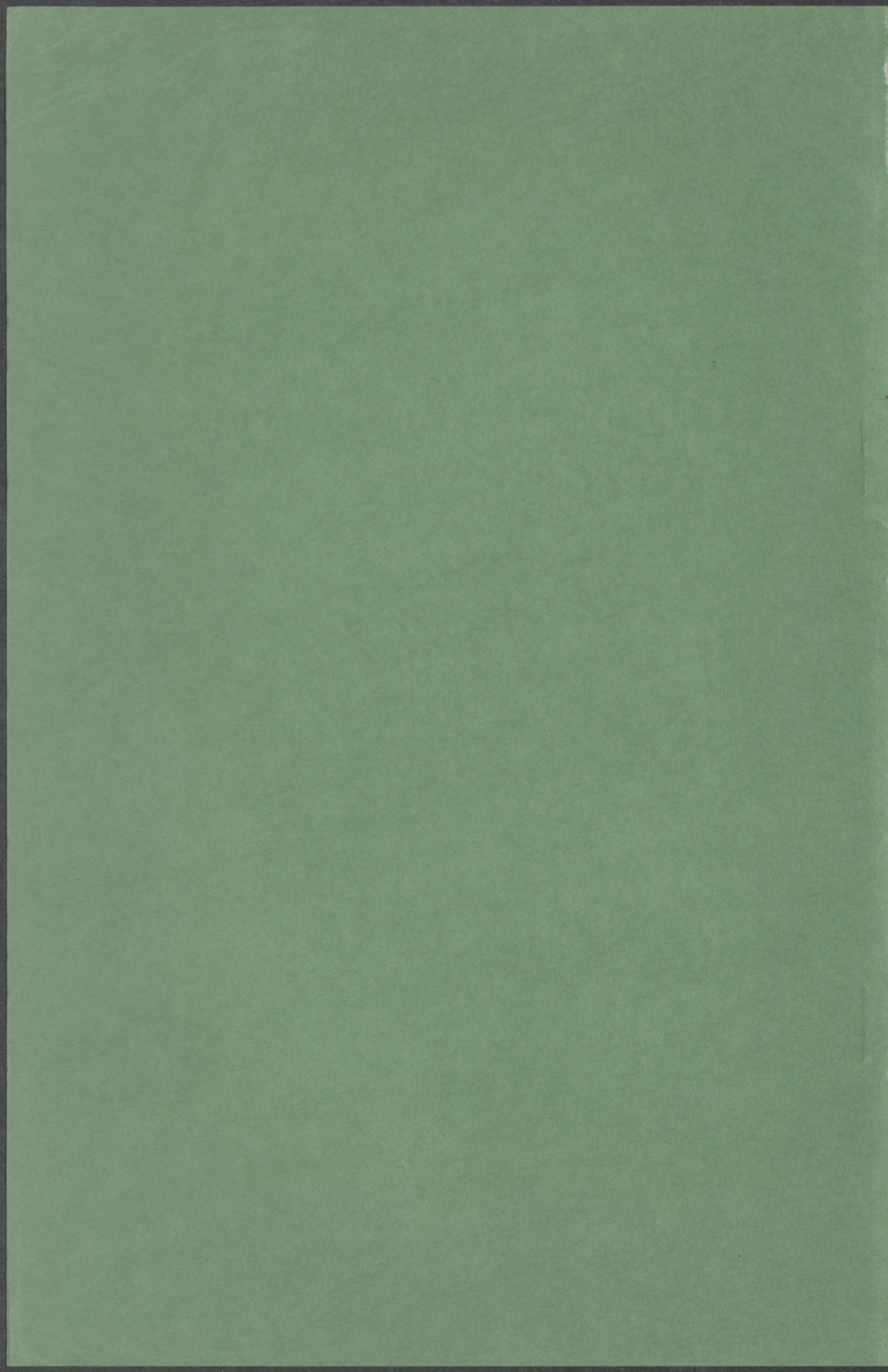
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PART 4

ATOMIC ENERGY COMMISSION TENNESSEE VALLEY AUTHORITY

Printed for the use of the Committee on Appropriations



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PUBLIC WORKS APPROPRIATIONS FOR 1966

WEDNESDAY, JULY 14, 1965

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 2 p.m., in room S-126, U.S. Capitol, Hon. Lister Hill, chairman of the subcommittee, presiding.

Present: Senators Hill, Ellender, Chairman Hayden, Pastore, and Gore.

U.S. ATOMIC ENERGY COMMISSION

STATEMENT OF DR. GLENN T. SEABORG, CHAIRMAN; ACCOMPANIED BY R. E. HOLLINGSWORTH, GENERAL MANAGER; JOHN P. ABBADESSA, CONTROLLER; DR. S. G. ENGLISH, ASSISTANT GENERAL MANAGER FOR RESEARCH AND DEVELOPMENT; DR. JOHN A. SWARTOUT, ASSISTANT GENERAL MANAGER FOR REACTORS; HOWARD BROWN, ASSISTANT GENERAL MANAGER FOR ADMINISTRATION; BERTRAM H. SCHUR, ASSOCIATE GENERAL COUNSEL; FRANK P. BARANOWSKI, DIRECTOR, DIVISION OF PRODUCTION; BRIG. GEN. D. L. CROWSON, DIRECTOR, DIVISION OF MILITARY APPLICATION; HAROLD B. FINGER, DIRECTOR, DIVISION OF SPACE NUCLEAR SYSTEMS; DR. PAUL W. McDANIEL, DIRECTOR, DIVISION OF RESEARCH; DR. JOHN R. TOTTER, ASSOCIATE DIRECTOR FOR RESEARCH, DIVISION OF BIOLOGY AND MEDICINE; DR. RUSSELL S. POOR, DIRECTOR, DIVISION OF NUCLEAR EDUCATION AND TRAINING; EDWARD J. BRUNENKANT, DIRECTOR, DIVISION OF TECHNICAL INFORMATION; E. E. FOWLER, ACTING DIRECTOR, DIVISION OF ISOTOPES DEVELOPMENT; JOHN S. KELLY, DIRECTOR, DIVISION OF PEACEFUL NUCLEAR EXPLOSIVES; ARTHUR L. TACKMAI, DIRECTOR, DIVISION OF PERSONNEL; J. A. DERRY, DIRECTOR, DIVISION OF CONSTRUCTION; VICTOR CORSO, ASSISTANT CONTROLLER FOR BUDGETS; AND WAYNE R. STARR, ACTING DEPUTY ASSISTANT CONTROLLER FOR BUDGETS

Senator HILL. The subcommittee will kindly come to order.

Doctor, we will put your letter in the record with your suggested amendments and then proceed to have you present your statement.

(The letter and amendments follow:)

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., July 7, 1965.

HON. CARL HAYDEN,
Chairman, Committee on Appropriations,
U.S. Senate

DEAR SENATOR HAYDEN: The House of Representatives on June 22 passed H.R. 9220, "A bill making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, * * * for the fiscal year ending June 30, 1966, and for other purposes."

As passed by the House, the bill makes certain reduction in the appropriations requested for the atomic energy program. [We have made a careful review of the areas affected by the House bill and propose amendments thereto for consideration by your committee.

Enclosed are 15 copies of the amendments proposed by the Atomic Energy Commission to H.R. 9220, together with the reasons therefor.

Cordially,

GLENN T. SEABORG, *Chairman.*

Proposed amendments to the public works appropriation bill, 1966, Atomic Energy Commission (H.R. 9220)

(As passed by the House of Representatives)

Estimate submitted to the House:

Operating expenses.....	\$2, 231, 000, 000
Plant and capital equipment.....	250, 000, 000
Total.....	<u>2, 481, 000, 000</u>

Bill as passed by the House:

Operating expenses.....	2, 117, 000, 000
Plant and capital equipment.....	237, 995, 000
Total.....	<u>2, 354, 995, 000</u>

Change by House:

Operating expenses.....	-114, 000, 000
Plant and capital equipment.....	-12, 055, 000
Total.....	<u>-126, 055, 000</u>

PROPOSED AMENDMENTS TO BILL

(1) Page 24, line 12, strike out "\$2,117,000,000" and insert in lieu thereof "\$2,141,000,000".

(2) Page 26, line 1, strike out "\$237,995,000" and insert in lieu thereof "\$243,045,000".

HOUSE REPORT

House Report No. 527—Public works appropriation bill, 1966, Atomic Energy Commission

OPERATING EXPENSES

Appropriation, 1965.....	\$2, 261, 573, 000
Budget estimate, 1966.....	2, 231, 000, 000
Recommended, 1966.....	2, 117, 000, 000
Comparison:	
Appropriation, 1965.....	-144, 573, 000
Budget estimate, 1966.....	-114, 000, 000

Funds provided under this heading are distributed as shown in the following table:

Program	Budget estimate	Recommended by the committee	Change from budget estimate
Raw materials program.....	\$212,770,000	\$210,000,000	—\$2,770,000
Special nuclear materials program.....	378,625,000	376,000,000	—2,625,000
Weapons program.....	705,400,000	702,400,000	—3,000,000
Reactor development program:			
Civilian power reactors.....	71,800,000	67,300,000	—4,500,000
Cooperative power reactor demonstration program.....	33,800,000	33,800,000	—
Euratom.....	5,900,000	5,500,000	—400,000
Merchant ship reactors.....	1,400,000	2,500,000	+1,100,000
Army power reactors.....	4,800,000	2,700,000	—2,100,000
Naval propulsion reactors.....	96,550,000	96,550,000	—
Rocket propulsion reactors.....	84,100,000	84,100,000	—
Satellite and small power sources.....	70,500,000	52,500,000	—18,000,000
General reactor technology.....	58,900,000	58,000,000	—900,000
Advanced systems research and development.....	32,500,000	29,300,000	—3,200,000
Nuclear safety.....	35,450,000	34,450,000	—1,000,000
Operational services.....	4,750,000	4,750,000	—
Total, reactor development program.....	500,450,000	471,450,000	—29,000,000
Physical research program.....	239,000,000	236,000,000	—3,000,000
Biology and medicine program.....	85,000,000	83,000,000	—2,000,000
Training, education, and information program.....	16,850,000	15,780,000	—1,070,000
Civilian applications of:			
Isotopes.....	12,800,000	11,000,000	—1,800,000
Nuclear explosives.....	17,875,000	15,375,000	—2,500,000
Communities.....	8,927,000	8,927,000	—
Program direction and administration.....	81,500,000	81,500,000	—
Security investigations.....	6,300,000	5,700,000	—600,000
Cost of work for others.....	8,100,000	8,100,000	—
Total, accrued program costs.....	2,273,597,000	2,225,232,000	—48,365,000
Change in selected resources.....	40,475,000	21,977,000	—18,498,000
Gross obligations.....	2,314,072,000	2,247,209,000	—66,863,000
Revenues applied.....	—46,625,000	—46,625,000	—
Net obligations.....	2,267,447,000	2,200,584,000	—66,863,000
Unobligated balance, start of year.....	—36,447,000	—83,584,000	—47,137,000
Appropriation.....	2,231,000,000	2,117,000,000	—114,000,000

The total reduction of \$114 million in the budget estimate recommended by the committee includes a net reduction of \$35,214,000 made by the Joint Committee on Atomic Energy in its action on the legislation authorizing appropriations for the Atomic Energy Commission for fiscal year 1966 (Public Law 89-32 approved June 2, 1965).

Raw materials program.—The reduction of \$2,770,000 made by the committee in this item is based on anticipated underruns in costs as compared with the estimates in the budget presentation.

Special nuclear materials program.—The reduction of \$2,625,000, including a decrease of \$625,000 carried in the authorization bill, is based on recent years' experience which show considerable underruns in costs as compared with the budget estimates. The additional reduction of \$2 million has been made in the budget estimate of \$23,496,000 for process development. Cost underruns in this program were \$42.4 million in 1962; \$26.3 million in 1963 and \$12.7 million in 1964. The committee is confident that the reduction made will not impair the program and can be reasonably anticipated on the basis of this underrun experience.

Weapons program.—The reduction of \$3 million, including a decrease of \$1 million made in the authorization bill, is based on underrun experience similar to that in the special nuclear materials program. Additional underruns are anticipated in 1966 in view of the 1965 underruns of \$26 million.

Reactor development program.—The committee has recommended a total of \$471,450,000 for the reactor development program, a decrease of \$29 million in

the budget estimate including reductions totaling \$12,900,000 in the authorization bill.

Civilian power reactors.—The allowance includes \$1 million, a reduction of \$1,500,000, for the super heat project, General Electric. As AEC has been tapering off work on conventional water reactors, the committee believes that the phasing out of this project, which is planned at the end of 1966, should be accelerated.

For the fast breeder reactor program, the committee has allowed \$27,030,000, an increase of \$6,089,000 in the 1965 amount, and a reduction of \$2 million in the budget estimate. As the 1964 appropriation for this item was only \$16,250,000, the committee feels that further expansion in 1966 at a rate of 29 percent should be adequate as prototype operation is not anticipated until the early 1970's.

The additional decrease of \$1 million under the civilian power reactors program reflects the general reduction made in the authorization bill.

Cooperative power reactor demonstration program.—The amount recommended includes the budget estimate of \$12,500,000 under this item together with \$12,500,000 under selected resources (a reduction of \$6 million in the request) for the large seed-blanket reactor. The total of \$25 million will be expended in accordance with section 106 of the Authorization Act.

The amount allowed also includes the budget request of \$9,500,000 under this item which together with the \$31,113,000 included under selected resources, will provide a total of \$40,613,000 for the high temperature gas-cooled reactor to be constructed under the cooperative arrangement with the Public Service Co. of Colorado and the General Dynamics Corp. Construction is not to be initiated on this reactor until it is determined, based on the evaluation of the operating experience of the Peach Bottom reactor and other relevant information that proceeding further is technically and economically warranted.

Euratom program.—For Euratom, the committee has allowed \$5,500,000, the same as the current year, and a reduction of \$400,000 in the budget estimate. To the extent necessary, any additional work can be provided by the other related research and development programs underway in the Agency.

Merchant ship reactors.—The committee has approved a total of \$2,500,000 for this program, an increase in the budget estimate of \$1,100,000. This increase was provided for in the authorization bill as the Joint Committee believes, "this application of nuclear energy has the potential of contributing significantly both to our national security and to the commercial posture of the United States."

If the Committee on Appropriations is to continue to support this program in future years, it expects that more significant progress will be made and urges, as does the Joint Committee, that AEC again investigate possible cooperative efforts with industry in carrying out the various phases of the program.

Army power reactors.—The committee has approved the \$700,000 budgeted to continue work on portable medium powerplants and \$2 million, a reduction of \$2,100,000 in the budget, to continue the ML-1 project (gas cooled, portable reactor). The committee feels that this should provide adequate funding at this time for this program as the Army has canceled its plans to fund the final design and procurement of the ML-1A and has reduced its participation in the joint AEC/Army reactor program to an application study only.

Naval propulsion reactors.—The committee has recommended the full budget estimate of \$96,550,000, an increase of \$1,950,000. The committee has not approved the unbudgeted increase of \$2 million included in the authorization bill for the destroyer type dual reactor. The committee is in agreement with the budget plan which provided for absorption of this amount on the destroyer project in connection with the reprogramming to provide additional funds for the new research submarine. The committee believes that any essential additional needs over the budget estimate of \$15,930,000 for the destroyer project can be met readily within the \$96,550,000 allowed.

Satellite and small power sources program.—The committee has allowed \$7 million for the SNAP 10—a program, and has deleted the \$6 million budgeted for a second test flight pending the firming up of requirements for an additional test.

For the advanced spacepower system (SNAP 50) the committee recommends \$10 million, a reduction of \$12 million in the budget estimate, including a decrease of \$10 million made in the authorization bill. The committee feels that an addi-

tional reduction of \$2 million is warranted in light of current trends on this project. The Committee on Appropriations is in agreement with the Joint Committee which stated in its report that "objectives have been dropped or cut back and schedules have been extended to the point that project-type objectives and goals no longer exist for this work. Trends in this program have now placed it in the classification of advanced technology work with no presently identifiable project-type objectives."

Advanced systems research and development.—The committee recommends \$29,300,000, an increase of \$2,300,000 over 1965, and a decrease of \$3,200,000 in the budget estimate. The increase granted should be adequate to continue these preliminary experimental studies in 1966 which AEC testified were for reactor systems "which are way out." The reduction of \$3,200,000 includes: \$200,000 for the Los Alamos molten plutonium reactor experiment for which \$4,800,000 was allowed; \$500,000 in the request for a medium power reactor experiment for which \$4 million was allowed; and \$2,500,000 representing the funds budgeted for application of Pluto technology to other reactor areas. Congress allowed \$3 million for mothballing and closing out this project last year, including funds for review of the technology, until such time as there is a military system and requirement for its use.

The reductions of \$900,000 made in general reactor technology and \$1 million made in the nuclear safety program are in accordance with the decreases made in the authorization bill.

Physical research.—The committee has allowed a total of \$236 million for the physical research program, an increase of \$22 million in the 1965 appropriations and net decrease of \$3 million in the budget estimates.

For the high-energy physics program, the committee recommends \$98 million, an increase of \$10,140,000 in the 1965 amount and a reduction of \$2,500,000 in the budget request, including a reduction of \$500,000 made in the authorization bill. The committee believes that the 12-percent increase allowed in the level of funding for this program should provide adequately for requirements in fiscal year 1966. The amount allowed includes the budgeted amount of \$1,900,000 for the development of the 200-billion-electron-volt machine.

The committee has approved \$9 million for the medium energy physics program, the full amount approved in the authorization bill and an increase of \$1,500,000 in the budget estimate. The increase of \$1,500,000, together with \$500,000 of available funds, is to be utilized for research and development and advanced design studies for the proposed meson physics facility at the Los Alamos Scientific Laboratory as recommended by the Joint Committee. As indicated below, the committee has not approved the \$1,200,000 for partial architect and engineering for this facility under the proposed new plant and capital equipment appropriation as proposed by the Joint Committee. The Committee on Appropriations believes that this latter work should be deferred until next year to provide adequate time for additional research and development of this new accelerator.

For controlled thermonuclear research the committee recommends \$21,500,000, the same as the appropriation for the current year, and a decrease of \$2 million in the budget estimate pending completion of the current review of the program by AEC. The reduction includes a decrease of \$1 million made in the program in the authorization bill.

Biology and medicine.—The committee has allowed \$83 million for this program, the same as the amount contained in the authorization bill. This will provide an increase of \$4,949,000 in the 1965 appropriation and represents a reduction of \$2 million in the budget estimate.

Training, education, and information program.—The committee recommends \$15,780,000, the same as the 1965 appropriation and the authorization bill for 1966. The reduction of \$1,070,000 in the budget estimate includes disallowance of the budget increase of \$150,000 for the Puerto Rican Center and the \$220,000 budgeted for payment for technical monographs and books. If necessary, the committee believes that such costs should be absorbed within the program involved.

Civilian applications of isotopes.—The committee recommends \$11 million, an increase of \$1,700,000 in the 1965 appropriation, and a reduction of \$1,800,000

in the budget estimate. The committee expects that a portion of this reduction shall be applied against the increase of \$400,000 budgeted for radioisotope technology development. This program has developed to the point where private industry is in a position to assume more of the development costs.

Civilian application of nuclear explosives (Plowshare).—The committee bill provides \$15,375,000 for this program, an increase of \$4,375,000 in the 1965 appropriation. The recommended reduction of \$2,500,000 has been applied to the \$5,500,000 budgeted for the Project Schooner excavation experiment. Due to anticipated delay because of the extensive planning and approvals required, the \$3 million allowed should be adequate for requirements during the next fiscal year.

Security investigations.—The reduction of \$600,000 made in this item is based on past underruns and decreasing cost trends in the program.

Changes in selected resources.—The reduction in this item includes \$4,498,000 made in the authorization bill; \$8 million based on the reductions recommended by the committee in the above programs; and \$6 million of the \$18,500,000 budgeted under this item for the large seed-blanket reactor. The balance of \$12,500,000 allowed, together with the \$12,500,000 included under the cooperative power reactor demonstration program above provides a total of \$25 million for funding this project in 1966 in accordance with the authorization bill.

Unobligated balance.—The additional general reduction recommended of \$47,137,000 is based on the anticipated carryover fund situation at the end of the current fiscal year including \$16,221,000 reflected in the authorization bill; an additional \$30 million based on the latest available obligation figures; and rounding of the recommended appropriation.

Plant and capital equipment

Appropriation, 1965	\$363, 000, 000
Budget estimate, 1966	250, 000, 000
Recommended, 1966	237, 995, 000
Comparison:	
Appropriation, 1965	—125, 005, 000
Budget estimate, 1966	—12, 005, 000

The reduction in this item includes \$3,955,000 made in the authorization bill including \$1 million for the alternating gradient synchrotron conversion, Brookhaven National Laboratory; \$750,000 for land acquisition, Brookhaven National Laboratory; \$750,000 for capital equipment for the SNAP-50 project; and \$1,455,000 representing the unobligated balance available due to rescission of project 64-(E)—S, modification to Canel facilities.

In addition to the reductions made in the authorization bill, the committee recommends the following decreases: (1) \$3 million budgeted for additional computer facilities. The committee believes that the \$13 million allowed for the current year should be adequate at the present time for the computer facilities for the naval reactor laboratories; (2) \$250,000 for radioisotopes production and separation technology equipment. Continuing the 1965 level of appropriations of \$400,000 should be adequate for 1966; and (3) deferral of the \$4,800,000 budgeted for a new electron linear accelerator at the Oak Ridge National Laboratory. The allowance in the bill of the new electron linear accelerator facility at the Massachusetts Institute of Technology budgeted for fiscal year 1966 at a cost of \$4,600,000 should be adequate for the coming fiscal year.

As indicated above, the committee has not funded in 1966 the unbudgeted item of \$1,200,000 provided in the authorization bill for the proposed meson physics facility at the Los Alamos Scientific Laboratory. The committee believes that the unbudgeted increase of \$1,500,000 allowed under the medium energy physics program under the "Operating expenses" appropriation should provide adequately for this program in fiscal year 1966.

AMENDMENTS

Amendment (1): Increase of \$24,400,000 in the appropriation for operating expenses

The Commission requests restoration of \$24,400,000 of the reduction made by the House of Representatives. The following table summarizes the reductions made by the House and the amount requested for restoration.

Summary of operating expenses

	AEC request	House change	Restoration requested
Raw materials.....	\$212,770,000	—\$2,770,000	-----
Special nuclear materials.....	378,625,000	—2,625,000	-----
Weapons.....	705,400,000	—3,000,000	-----
Reactor development.....	500,450,000	—29,000,000	\$13,600,000
Physical research.....	239,000,000	—3,000,000	3,000,000
Biology and medicine.....	85,000,000	—2,000,000	-----
Training, education and information.....	16,850,000	—1,070,000	-----
Civilian applications of:			
Isotopes.....	12,800,000	—1,800,000	1,800,000
Nuclear explosives.....	17,875,000	—2,500,000	-----
Communities.....	8,927,000	-----	-----
Program direction and administration.....	81,500,000	-----	-----
Security investigations.....	6,300,000	—600,000	-----
Cost of work for others.....	8,100,000	-----	-----
Change in selected resources.....	40,475,000	—18,498,000	6,000,000
Revenues and reimbursements from non-Federal sources.....	—46,625,000	-----	-----
Unobligated balance brought forward.....	—36,447,000	—47,137,000	-----
Total.....	2,231,000,000	—114,000,000	24,400,000

The reasons for the requested restoration are given below :

REACTOR DEVELOPMENT

The budget request for this program was \$500,450,000. The House made reductions totaling \$29 million, including reductions made in the authorizing act. Of the \$29 million reduction, the Commission recommends restoration of \$13,600,000, which includes \$3,500,000 for civilian power reactors, \$2,100,000 for Army power reactors and \$8 million for satellite and small power sources (SNAP).

	AEC request	House change	Restoration requested
Civilian power reactor program:			
Fast breeder development program.....	\$29,030,000	—\$2,000,000	\$2,000,000
Superheat project.....	2,500,000	—1,500,000	1,500,000
Other civilian power.....	40,270,000	—1,000,000	-----
Total civilian power.....	71,800,000	—4,500,000	3,500,000

The total reduction of \$4,500,000 includes a general reduction of \$1 million made in the appropriation authorization review and two specific reductions recommended by the House Appropriations Committee. The Commission urgently recommends restoration of \$3.5 million on the following basis:

Fast breeder development program, \$2 million

The Commission recommends restoration of the \$2 million reduction for the important fast breeder development program, one of the Commission's highest priority programs. The planned development program leads to operation of a fast breeder prototype in the early 1970's to insure the most economical utilization of the Nation's nuclear resources for energy production at the earliest practicable date. This requires a substantial buildup of technical facilities and manpower to resolve the complex technical and engineering problems, and demonstrate reliability of the reactor concept. The increase of \$8 million planned for this program in fiscal year 1966 is principally directed to providing increased development work and facility support for the fast reactor fuel and materials development program, and bringing into the program increased industrial support for system design and development of component and equipment performance and reliability. This increased effort in fiscal year 1966 is extremely important to the development and selection of fuels, components, and

materials in support of the extensive test program leading to the initiation of the prototype design in the fiscal year 1969 time period. The reduction of \$2 million will defer important planned work and stretch out the planned development program which could ultimately increase the program cost more than the \$2 million reduction indicated for fiscal year 1966.

Superheat project, \$1,500,000

The Commission recommends the restoration of \$1.5 million to provide the necessary funds to carry out during fiscal year 1966 the continuing superheat fuel development work in support of the Bonus and Pathfinder projects and to provide the costs necessary to phase out certain parts of the superheat development work in fiscal year 1966. This research and development is in its final phase when irradiation data and material development is reaching its fruition.

The superheat project provides basic technological support for the development of advanced superheat fuel cladding materials and fuel geometries required for the continued planned operation of Bonus and Pathfinder. If the \$1.5 million restoration is not approved, the Commission would have to abandon the advanced fuel program in support of Bonus and Pathfinder, in the absence of which a suitable cladding material would not be assured for the superheat reactors.

	AEC request	House change	Restoration requested
Army power reactors:			
Portable medium powerplants.....	\$700,000		
Mobile low powerplant No. 1 (ML-1).....	4,100,000	—\$2,100,000	\$2,100,000
Total Army power reactors.....	4,800,000	—2,100,000	2,100,000

In proposing the reduction of \$2.1 million for the Army reactor, the House Appropriations Committee indicated its feeling that the remaining funds were adequate to continue the ML-1 project in light of the Army's cancellation of the final design and procurement of the ML-1A and reduction of the Army's participation in the joint AEC/Army reactor program to an application study only.

The Assistant Secretary of the Army for Research and Development stated in his letter to the Joint Committee on Atomic Energy on April 19, 1965, that the Army firmly believes that nuclear power offers the potential for enhancing its operational effectiveness and feels that the ML-1A technology development should be continued. In the same letter, the Army indicated it was providing funds to continue support of its portion of this development effort.

The \$2 million remaining in this program will not provide for sufficient funds to operate and evaluate the ML-1 reactor as a system. This is a very important phase of the development plan in providing for reliable components and a reliable system. The fiscal year 1966 effort, as requested, would enable system tests to be performed. The reduction of \$2.1 million essentially would have reduced the effort to only operate the reactor and not provide for evaluation of the system. These two activities must be carried out in parallel to provide a complete development effort.

The planned program for fiscal year 1966 includes the following effort to provide necessary technological demonstrations of the ML-1 system:

1. Confirm core II design.
2. Design and test speed and temperature controller.
3. Conduct experiments and tests of the ML-1 reactor to evaluate the lifetime characteristics of the fuel elements and instrumentation, to demonstrate that no damage occurs in the event of a loss of coolant, to measure the response time of the several scram circuits, and to evaluate transient response characteristics of the reactor.
4. Assemble and test auxiliary skids (gas generation, water treatment and cable reel).
5. Complete the development of a high performance turbine compressor set and improve the performance of heat exchangers (essential to meet 300-kilowatt-electric goal).

Successful completion of the ML-1 system development, which is a pioneering efforts on the world's first truly land-mobile nuclear system, is required to demonstrate this system. Restoration of this reduction is therefore requested.

	AEC request	House change	Restoration requested
Satellite and small power sources:			
SNAP 10A.....	\$13,000,000	—\$6,000,000	\$8,000,000
Advanced space power.....	22,000,000	—12,000,000	2,000,000
Other SNAP programs.....	35,500,000		
Total SNAP.....	70,500,000	—18,000,000	8,000,000

SNAP 10A, \$6 million

The purpose of this reduction, as stated in the House Appropriations Committee report, is to delete funding for second test flight pending the firming up of requirements for an additional test. The Commission recommends that the funds be appropriated for the second flight. A decision concerning the need for a second flight test of a SNAP 10A system cannot be made until further analysis of SNAPSHOT I flight test data is completed. It is expected that this will take about 2 months.

The Commission wishes to retain the option to conduct the SNAPSHOT II program commencing in fiscal year 1966 should it develop that it is necessary or desirable if the original SNAPSHOT objectives are to be fully met.

Capabilities have already been established to carry out the entire SNAPSHOT effort. Delaying the appropriation of funds would require that the program be canceled. If a need were then developed for the second flight, the capability would have to be reestablished. Such an approach would, therefore, increase the total cost for the second flight over the cost if continuity could be maintained in the capability.

In addition to the possible AEC need for a second flight, representatives of the DOD have stated that they would fly an important secondary payload on the SNAPSHOT II flight if it is conducted.

Advanced space power systems (SNAP 50), \$2 million

The House Appropriations Committee allowed \$10 million for the SNAP 50 program. This is a reduction of \$12 million in the amount requested by the Commission and \$2 million less than provided for in the authorization bill. In its report, the committee stated that "a reduction of \$2 million is warranted in light of current trends on this project," and in light of the report of the Joint Committee on Atomic Energy (JCAE) which stated that "objectives have been dropped or cut back and schedules have been extended to the point that project-type objectives and goals no longer exist for this work." The JCAE, in authorizing \$12 million for this program, recommended that the AEC consider a shift of the particularly promising phases of the work to a facility commensurate in size to the job at hand in view of the fact that the CANEL facility may be too extensive for the advanced technology program which is warranted for SNAP 50.

The Commission has reviewed this program in the light of the guidance provided by the Congress and has decided to terminate the SNAP 50 work at CANEL and transfer this advanced reactor technology activity to the Lawrence Radiation Laboratory at Livermore, Calif. It is requested that the \$2 million be restored to the program. The total of \$12 million will be required to permit the Lawrence Radiation Laboratory to effect the orderly transition of employees to the SNAP 50 technology program; to terminate Pratt & Whitney at the CANEL site, which is currently estimated to cost \$4 million; continue related power conversion technology effort; and to provide for Pratt & Whitney liaison effort during the transfer of activities to LRL.

PHYSICAL RESEARCH

The budget submitted to Congress included \$239 million for this program. The authorizing legislation provides the same amount with changes made in

various categories. The House report accepted the increase of \$1.5 million for medium-energy physics which was approved in the authorizing legislation but reduced the program total by \$3 million to \$236 million with reductions applied to high-energy physics and controlled thermonuclear research. The following table summarizes the changes and the amounts for which restoration is requested:

	AEC request	House change	Restoration requested
High-energy physics.....	\$100,500,000	-\$2,500,000	\$2,000,000
Medium-energy physics.....	7,500,000	1,500,000	-----
Controlled thermonuclear research.....	23,500,000	-2,000,000	1,000,000
All other.....	107,500,000	-----	-----
Total.....	239,000,000	-3,000,000	3,000,000

There follows, by category, a discussion of the specifics related to the restoration requested:

High energy physics, \$2 million

Significant increases in operating funds are required to permit proper exploitation of the improved research capabilities of existing major accelerators and the new capabilities provided by the recently completed accelerators. Particularly affected is the zero gradient synchrotron (ZGS) at Argonne where the ability to maintain an efficient operating level will be restricted. The efficiency of research output of machines like the ZGS is increased tremendously when they can be operated continuously, since a large amount of time is required to get them back into productive operation after they are once turned off. A relatively large increase for this device is required in fiscal year 1966 to maintain the ZGS at the close-to-round-the-clock level of operation attained in fiscal year 1965.

In addition to the increase in funds required to operate the improved and new facilities, an increase in funding is urgently needed to permit initiation of new university user groups and to augment the capability of existing groups. The number of these groups was held stable last year because of a request from Congress that the Commission submit a national plan of action in this field. This plan has now been submitted. A very important part of it, as detailed in the report "Policy for National Action in the Field of High Energy Physics," is that these university user groups are expected to analyze 50 to 75 percent of the data output of each of the large accelerators. The university user groups are a vital element in the productive research programs carried out at the major AEC accelerators.

Controlled thermonuclear research, \$1 million

Restoration of the \$1 million reduction in controlled thermonuclear research is requested to permit an orderly continuation of the program through the period of the comprehensive program review now underway and to maintain its position of leadership relative to increasingly effective efforts abroad. In view of the continually increasing cost of performing research (cost-of-living increase) and the increasing complexity of the experimental process, an appropriation of \$21.5 million would, in effect, result in a reduction of programmatic effort from the fiscal year 1965 level. This is particularly undesirable in view of the important progress achieved in AEC fusion laboratories in the past year.

ISOTOPES DEVELOPMENT

The House bill would reduce by \$1,800,000 the amount of \$12,800,000 in operating costs requested for this program. Restoration of the reduction of \$1,800,000 is requested.

The bulk of the reduction, \$1,400,000, would necessarily have to be applied to the development and production of isotopic power and heat source fuels. A major increase was requested for these activities in order to carry out a meaningful fuels development program for use of radioisotopes in space, marine,

and terrestrial powered systems. Since this effort is in direct support of all SNAP and other systems development by AEC, NASA, and DOD, the net effect of the proposed action would be a substantive delay in the national programs to develop isotopic power and propulsion systems to meet specific requirements of high priority. Specifically, the major reduction would be applied to the plutonium 238 and polonium 210 source development program at Mound Laboratory, the curium 244 development program at ORNL, and the promethium 147 development effort at Pacific Northwest Laboratories.

The committee report specifically identified a reduction in the increase budgeted for radioisotope technology development on the basis that private industry is in a position to assume more of the development costs. However, as the result of reorientation of objectives during the past 2 years, this category of activity is concerned largely with the application of radioisotope technology to problems of governmental and public interest including governmental programs involving application of radioisotope techniques to analytical systems, oceanographic investigations and development, water conservation and resources development, aerospace systems, national security problems and similar operations. The total increase of \$400,000 is needed for support of these government activities at a level adequate to provide for optimum development, which are not susceptible of being supported by private industry.

CHANGES IN SELECTED RESOURCES

The House committee report reduction of \$18,498,000 includes \$6 million related to the large seed-blanket reactor and \$12,498,000 related to other operating programs. The proposed restoration of \$6 million is related to the restorations requested in program cost estimates.

Amendment (2): Increase of \$5,050,000 in the appropriation for plant and capital equipment

The Commission requests restoration of \$5,050,000 reduction made by the House of Representatives. The following table summarizes the reductions made by the House and the amount requested for restoration.

Summary of plant and capital equipment

	AEC request	House change	Restoration requested
Construction projects:			
Electron linear accelerator, Oak Ridge National Laboratory, Tennessee.....	\$4,800,000	—\$4,800,000	\$4,800,000
Alternating gradient synchrotron conversion, Brookhaven National Laboratory, New York (AE only).....	3,000,000	—1,000,000	-----
Land acquisition, Brookhaven National Laboratory, New York.....	2,750,000	—750,000	-----
Other construction projects.....	127,085,000	-----	-----
Total construction obligations.....	137,635,000	—6,550,000	4,800,000
Capital equipment not related to construction:			
Reactor development:			
Computers—Naval reactors.....	3,000,000	—3,000,000	-----
SNAP-50.....	1,500,000	—750,000	-----
Other reactor development.....	29,977,000	-----	-----
Total reactor development.....	34,477,000	—3,750,000	-----
Isotopes Development:			
Radioisotope production and separations technology..	650,000	—250,000	250,000
Other isotopes development.....	1,550,000	-----	-----
Total isotopes development.....	2,200,000	—250,000	250,000
All other capital equipment.....	122,433,000	-----	-----
Total capital equipment not related to construction obligations.....	159,110,000	—4,000,000	250,000
Total obligations, plant and capital equipment.....	296,745,000	—10,550,000	5,050,000
Unobligated balance brought forward.....	—46,745,000	—1,455,000	-----
Total.....	250,000,000	—12,005,000	5,050,000

The reasons for the requested restoration are given below :

	AEC request	House change	Restoration requested
Construction projects: Electron linear accelerator facility-----	\$4,800,000	-\$4,800,000	\$4,800,000

The House Appropriations Committee report indicated that this project was deferred on the basis that the new electron linear accelerator facility at MIT which was allowed in the bill should be adequate for the coming fiscal year.

The Commission strongly urges restoration of funds for the ORNL accelerator because it is an essential tool in the AEC program for the development of fast breeder reactors. It will provide nuclear data which is needed as soon as possible and which cannot be obtained with either existing or other planned facilities. In view of the 3-year time period required for construction of the facility and bringing it into routine operation, this facility cannot be deferred without adversely affecting progress in the development of fast breeder technology.

The accelerator will provide a unique and needed capability for higher neutron intensities, as well as improved energy resolution in the higher neutron energy ranges, 1-300 kilo electron volts, which is of particular interest to the fast reactor development program. The need for it has been strongly endorsed by the AEC Advisory Committee on Reactor Physics and the Nuclear Cross Section Advisory Group. Although this facility is of prime importance to the breeder program it will also provide data necessary in the optimization of mobile reactors and shielding systems. The Commission, therefore, requests full restoration of the \$4.8 million for this project.

Capital equipment not related to construction—Isotopes development

The committee reduction of \$250,000 in the amount of \$2,200,000 requested for capital equipment for this program was specifically identified with the radioisotope production and separations technology category. This reduction completely eliminates the increase in funds for equipment budgeted to support radioisotope production at Hanford and the Martin-Marietta Quehanna Facility. The base \$400,000 budgeted for this category is essential to provide a continuing and necessary level of equipment replacement and acquisition for radioisotope production and research and development operations at Oak Ridge National Laboratory. However, continued operation of the Hanford and Martin-Marietta fission product facilities necessitates equipment support, and reallocation of funds to these facilities would require a reduction in the planned equipment level at Oak Ridge National Laboratory considerably below the current level.

THE 1966 PROGRAM AND BUDGET ESTIMATE

Dr. SEABORG. Mr. Chairman and members of the committee, the members and staff of the Atomic Energy Commission are pleased to appear before your committee to discuss the AEC's program and budget estimates for fiscal year 1966.

The AEC budget submitted to the Congress in January requested appropriations of \$2,481 million of which \$2,231 million is for operating expenses and \$250 million for plant and capital equipment. The requested appropriation is \$143.6 million less than the amount appropriated for fiscal year 1965.

Authorizing legislation signed on June 2 would provide for 1966 appropriations of \$2,443 million, or \$38 million less than the amount requested.

The appropriation bill as passed by the House of Representatives on June 22 provides total appropriations of \$2,355 million, including \$2,117 million for operating expenses and \$238 million for plant and

capital equipment. This represents a total reduction of \$126 million from our appropriation request—\$114 million for operating expenses and \$12 million for plant.

By letter of July 7 to Senator Hayden we submitted proposed amendments to the appropriation bill which would restore \$29,450,000 of the House reduction—\$24,400,000 for operating expenses and \$5,050,000 for plant and capital equipment. Before discussing the basis for this proposed restoration, I would like to talk briefly about each of our major programs.

Senator HILL. All right, Doctor.

RAW MATERIALS

Dr. SEABORG. The raw materials program estimate of \$212.8 million provides for the procurement of 12,845 tons of uranium concentrates and oxides in 1966. This is \$54.7 million and 2,830 tons below the 1965 level.

Deliveries under contracts with foreign suppliers will be completed by the end of calendar year 1966. Under our stretchout program, we have executed contract extensions to December 31, 1970, with 8 of the 11 domestic producers and we expect the other three to be signed soon.

SPECIAL NUCLEAR MATERIALS

The budgeted request includes \$378.6 million for the production of special nuclear materials for military and other programs. Due largely to the implementation of the production cutbacks announced by the President in January and April 1964, the 1966 estimate is \$19.9 million below 1965. The planned shutdown of production reactors has now been accomplished. At Savannah River one reactor was shut down in June 1964. At Richland one reactor was shut down in December 1964, one in April 1965, and one last month. Electric power levels at the gaseous diffusion cascades will be reduced from the current level of 3,915 to 3,290 megawatts by the end of fiscal year 1966. The major effect of a more recent cutback in the purchase of electric power for production of U^{235} will come after fiscal year 1966.

WEAPONS

The estimated operating costs for the weapons program in 1966 are \$705.4 million. This provides for the production of nuclear weapons to meet stockpile objectives approved by the President, the conduct of a vigorous research and development program, continuation of the underground test program, maintenance of a readiness capability for atmospheric testing, and cooperation with the Department of Defense in special test detection activities. The planned program is one which will enable us to continue to meet our responsibilities for the four safeguards related to the limited nuclear test ban treaty.

Decreases in the annual requirements for the production of new weapons are making it possible to reduce production levels throughout the weapons production complex. This involves shutdown of production operations at some plants and workload adjustments and consolidations in others in order to operate the production complex

in an economical manner consistent with the retention of the capability necessary to respond to possible changes in national needs.

The requested budget will allow the maintenance of modern and progressive weapons laboratories. Underground testing will continue at about the present level to obtain additional knowledge of weapons technology and to carry out verification, proof tests, and safety tests of new and stockpiled weapons. By maintaining the capability for atmospheric testing which was attained on January 1 this year, we will be ready to initiate atmospheric testing on a schedule approved by the President if the terms of the limited test ban treaty are abrogated and the President orders resumption.

RAW MATERIALS RECAPITULATION

Senator PASTORE. Mr. Chairman, may we recapitulate at this point, please.

For raw materials your original request for funds was \$212,770,000. The House cut you \$2,770,000. You are not asking for any restoration.

Dr. SEABORG. That is right.

Senator PASTORE. Is that correct?

Dr. SEABORG. That is right.

Senator PASTORE. You intend to live with the House cut?

Dr. SEABORG. We intend to try to live with it.

SPECIAL NUCLEAR MATERIALS RECAPITULATION

Senator PASTORE. On special nuclear materials the request was for \$378,625,000, and the House cut you \$2,625,000. You are not asking for restoration there either, are you?

Dr. SEABORG. That is right.

Senator PASTORE. You are going to live with that figure.

Dr. SEABORG. We are going to live with that figure.

WEAPONS RECAPITULATION

Senator PASTORE. On weapons you asked for \$705,400,000, and the House cut you by \$3 million. You are not asking for restoration there either?

Dr. SEABORG. That is right.

Senator PASTORE. In other words, in these three items that you have just explained, you are going to try to get along with what the House allowed.

Dr. SEABORG. That is right.

PROCESS DEVELOPMENT

Mr. ABBADESSA. Senator Pastore, there is one point that the Chairman will make in his statement. The House specifically identified \$2 million of the \$2.6 million reduction in "Special nuclear materials" with process development, one of the activities in this program. We are not asking for restoration of the funds, but we are asking this committee for flexibility to apply the reductions to the total for the program, not just to this activity.

Dr. SEABORG. That is, flexibility in how and where to apply the cut within the broad area of the special nuclear materials program.

Senator PASTORE. Language.

Dr. SEABORG. On where to make the cut.

Mr. HOLLINGSWORTH. This is the special nuclear materials cut.

Senator HILL. That will be covered by insertion of language?

Dr. SEABORG. Yes; by appropriate language in your report.

Senator HILL. You have the language here for us.

Dr. SEABORG. May I proceed?

REACTOR DEVELOPMENT

The reactor development program, for which \$500.5 million has been requested, includes a diversity of activities related to the development, demonstration, improvement, and safe operations of nuclear reactors and devices. One of the major uses for reactors is the generation of electricity in central station powerplants. The same or similar reactors can also be used to produce heat for process heat applications, such as the desalting of sea water. Another important application of reactors is the propulsion of submarines and surface vessels. In the Rover program, we are developing nuclear reactors for propulsion of space vehicles. Reactors and other nuclear devices can also be used to furnish thermal and electrical power for use in space, under the sea, and on the earth. We will be glad to discuss these varied activities in whatever detail the committee desires. At this time, however, I would like to direct attention to one portion of the program—the development of advanced reactor concepts for central station powerplants.

After careful review of several concepts and industry proposals, the Commission has selected three advanced concepts which now appear to be the most promising in achieving near or low-gain breeding. These are the seed-blanket, the high-temperature gas-cooled and the heavy water organic cooled reactors. The 1966 authorizing legislation, which was recently enacted, provides authority, and our budget includes funds, for cooperative arrangements on two of these projects—a large seed-blanket reactor prototype and a high-temperature gas-cooled reactor prototype. Work is also proceeding on development of the heavy water organic cooled concept, but this has not yet reached the prototype stage. One attractive feature of the heavy water organic cooled reactor concept is its potential for very large dual-purpose electric power and water desalting applications.

BREEDER REACTOR PROJECT

We also are increasing our development effort on a still more advanced type of reactor concept—the fast breeder reactor. Our current efforts in this field are directed toward developing a sound technological base and developing plans for the facilities which will be necessary to carry on an effective fast breeder program.

Senator PASTORE. On the civilian power reactors you ask for \$71,800,000, and the House cut you \$4,500,000. Will that cut in any way

affect this fast breeder reactor project which you have been talking about?

Dr. SEABORG. Yes.

Senator PASTORE. In what way?

Dr. SEABORG. It means we will not be able to fund certain portions of our future program for the development of fast breeders which, we feel, will be short by about \$2 million. We asked for more than this, but thought we could adjust to a reduced program, providing \$2 million was added above the base that we would have with the House cut.

Senator PASTORE. Well now, let us see, the House cut you what, \$4.5 million, is that correct?

Mr. ABBADESSA. Yes, sir.

Senator PASTORE. What are you asking for restoration?

Dr. SEABORG. We ask for a total restoration in the civilian power reactor program of \$3.5 million, of which \$2 million will be allotted to the fast breeder program.

By the way, my statement gets into detail in each case where we are asking for a restoration.

Senator PASTORE. All right, fine.

PHYSICAL RESEARCH

Dr. SEABORG. In the physical research program we are engaged in basic research in the fields of high-energy physics, medium-energy physics, low-energy physics, mathematics and computers, chemistry, metallurgy and materials and controlled thermonuclear research. The objective is to obtain a fundamental understanding of phenomena related to the development, use and control of nuclear energy. We are requesting \$239 million for 1966 operating costs, an increase of \$25 million, or about 11 percent over the 1965 estimate of \$214 million.

High-energy physics accounts for about half of the \$25 million increase in cost proposed for 1966. This budget is consistent with the report, "Policy for National Action in the Field of High Energy Physics," transmitted to the Congress by the President on January 26, 1965. The budget provides for increases necessary to make effective use of recently completed accelerators and those nearing completion. We are also increasing our work on development of higher energy accelerators for the future.

Smaller increases are requested for the other activities in this program. All of these activities are making significant contributions to the Nation's supply of fundamental knowledge. In the controlled thermonuclear program we continue to make steady progress. For example, the temperature of the plasma in the Princeton stellarator has been markedly increased and initial stability measurements in the Astron facility have been encouraging. Completion of a thorough review of the entire controlled thermonuclear program is planned for late calendar year 1965. This will guide us in making any changes in the program necessary to be more responsive to the national need and in keeping with the state of the art.

BIOLOGY AND MEDICINE

Research in the biomedical sciences is budgeted at \$85 million which is approximately \$6.9 million more than the estimated 1965 cost. The program includes a variety of activities designed to obtain information necessary for the safe conduct of atomic energy operations and to aid in the beneficial use of radiation and isotopes.

Continuing attention will be given to studies on the somatic effects of radiation from both internal and external exposures, with increasing emphasis on studies of the late effects of radiation. An important part of this activity is the joint program on co-carcinogenesis with the National Institute of Health at the Oak Ridge National Laboratory.

Work in radiation genetics will include studies of the effects of radiation on the genetic matter in terms of total dose rates and type of radiation. The effects of radiation on populations will be studied.

Increasing attention will be given to biological and medical research at the molecular and cellular level. Such studies are necessary if we are to obtain an accurate understanding of the physical and chemical basis of radiation effects.

We are also continuing research on the problems of atmospheric radioactivity and fallout and on problems associated with other potential releases of radioisotopes.

TRAINING, EDUCATION, AND INFORMATION

Activities aimed at increasing the numbers of trained people in the nuclear field and disseminating information related to nuclear technology have been budgeted at \$16.8 million for 1966.

To improve the quality and increase the quantity of scientific and engineering professionals in the nuclear fields, assistance is provided to individuals and educational institutions through equipment grants, faculty training institutes, cooperative programs between universities and AEC laboratories, operation of specialized courses and the granting of fellowships and traineeships in the various fields of nuclear energy.

Senator ELLENDER. Mr. Chairman, may I ask a question?

Senator HILL. Certainly, go ahead, Senator.

Senator ELLENDER. Dr. Seaborg, are we to understand that the amount of \$16.8 million is the total amount that is spent for training, education, and information? I notice you have it headed that way.

Dr. SEABORG. That figure represents the total budget we have requested, and there has been a cut of \$1,070,000 from that.

Senator ELLENDER. Yes. Now, how much of the other moneys—that is, the balance of your requests—are paid, let us say, to colleges or any other educational institution in order to do the research in behalf of the AEC?

RESEARCH CONTRACTS

Dr. SEABORG. Under our fiscal year 1966 budget, we would have research and development contracts with universities and colleges amounting to a total of about \$75 million.

Dr. ENGLISH. In biology and medicine, it is around \$18 million, as I recall, and physical research is about \$53 million. This total covers about 1,000 contracts.

Dr. SEABORG. Including other programs, there would be a total of about \$75 million totaling something over 1,000 contracts in the universities and colleges in our country, mainly for basic research.

Senator ELLENDER. I understand.

Dr. SEABORG. Of course, we also have contracts for engineering and development, with contractors other than educational institutions, that run much higher, for example, in the reactor development field.

Senator ELLENDER. Are we to understand that this \$75 million plus the \$16.8 million represents the full amount that you spend directly and indirectly with colleges and for training purposes?

TRAINING AND INFORMATION PROGRAM

Dr. SEABORG. For basic research and development, that is right. In fact, it is a little more than the full amount because the \$16.8 million also includes other aspects of training and also includes our total information program.

Senator ELLENDER. Now, do we understand that the rest of the funds that you are asking for are spent directly by the AEC?

MULTIPURPOSE LABORATORIES

Dr. SEABORG. No. Most of our funds of this type are spent through contracts, including those for our own large national multipurpose laboratories where we spend a large amount of our money for basic research and for engineering and development. We also have contracts for the operation of our huge production facilities where we spend a significant amount of our money.

Senator ELLENDER. I wonder if you could give us in round figures the amounts that are spent by you directly, that is under AEC, through your own facilities, and that which you contract, and then the amounts that you spend such as for research in colleges, and for training, education, and information.

Dr. SEABORG. Yes.

Senator ELLENDER. Just categorize that for us.

Dr. SEABORG. Yes. Could we furnish that for the record?

Senator ELLENDER. Yes.

Dr. SEABORG. I would be glad to do that.

Senator HILL. We will have that appear in full in the record.

Dr. SEABORG. Yes; we would be pleased to do that.

(The information requested follows:)

AEC RESEARCH AND DEVELOPMENT

More than half of the \$2,273.6 million operating costs requested in the budget for fiscal year 1966, or \$1,292 million, is for research and development. Of this amount for research and development, an estimated \$73.6 million will be spent on campus at colleges and universities. An estimated \$357.8 million will be spent at Government-owned laboratories operated by educational institutions, such as the Stanford Linear Accelerator Center, Princeton-Pennsylvania Accelerator, Cambridge Electron Accelerator, the Argonne National Laboratory, Lawrence Radiation Laboratory, and the Los Alamos Scientific Laboratory. The

remainder of the Commission's research and development funds are spent primarily through contracts with industrial and commercial organizations and nonprofit organizations.

In addition to the above research and development operating costs, the Commission's fiscal year 1966 budget submission to the Congress included \$16.8 million of operating costs for the training, education, and information program.

SELECTION OF UNIVERSITIES AND COLLEGES FOR RESEARCH

Senator ELLENDER. Now, what is your method of selecting, let us say, colleges to do this research? Have you a standard by which you go?

Dr. SEABORG. Yes, we do. We have rather strict standards, due to the stringent limitations on our funds. As we receive proposals from the research people in the universities and the colleges, the proposals are evaluated at headquarters with the help of scientists who are experts in the field for which the research is proposed. Further, the proposals are reviewed also by individuals and groups within the Atomic Energy Commission Headquarters, and then finally a choice is made as to the top-rated proposals, and funds are allocated accordingly.

I think that it is only possible to support something of the order of 1 in 4 or 1 in 5, and if you count proposals that are screened out in the preliminary screening, 1 in 10. That is, we only have enough funds to support about 1 in 10 of the proposals that we receive, and perhaps only 1 in 3 or 1 in 4 of what we would call meritorious proposals.

Dr. McDANIEL. I would say it is more like 1 in 10. In some of the fields it may be higher.

SPREAD OF CONTRACTS

Senator ELLENDER. Does not your method make it possible for just certain areas where you already have established colleges and where these colleges have the men you want to do the research, does that not more or less make it so that the work is concentrated in certain areas of the country, instead of expanding it?

Dr. SEABORG. We actually have a rather good distribution among our research contracts. We have made a study which indicates a rather broad distribution throughout the country. Our problem with respect to an even better distribution is that the budget is not expanding; therefore, more effective distribution can only be made at the expense of terminating meritorious work where the performance is up to every level of expectation. That would be the only way that we could spread the money substantially further.

Senator ELLENDER. Well, I express the hope that the money is used so that various parts of the country can develop scientists and not center them in areas where the Government has already—that is in the past—furnished quite a lot of money. For instance, when the Science Foundation was first organized, we discovered that the major part of its money was spent in about seven or eight colleges, and here lately they have adopted another formula which makes it possible to spend the moneys all over the country.

Dr. SEABORG. Yes.

Senator ELLENDER. Rather than concentrating it.

Dr. SEABORG. We have over 1,000 research contracts spread out over some 310 universities and colleges.

Senator ELLENDER. Throughout the country?

Dr. SEABORG. Throughout the country.

Senator ELLENDER. We found out, Doctor, that this resulted a good deal in pirating of good professors from one school that was not able to pay the proper salary, and with another college obtaining these Government contracts, why they were able to pay a higher salary, and the first thing you know, some of the smaller colleges lost good scientists to the colleges that were better able to pay the price or the salaries, and I am very hopeful that you will bear in mind to kind of spread that around and develop as many scientific persons throughout the country as possible.

Dr. SEABORG. Yes. Well, as I have indicated, I think we have quite a good spread.

Senator ELLENDER. Thank you.

RESTORATION OF HOUSE REDUCTION

Senator HILL. Doctor, let me ask you this question. You spoke about the \$16.8 million allowed by the budget. You indicated that you ought to ask for more than that.

Dr. SEABORG. No, I indicated that there was a cut.

Senator HILL. By the House?

Dr. SEABORG. By the House, yes.

Senator HILL. The House cut that.

Dr. SEABORG. Yes, but we are going to cover that a little later in my testimony.

Senator HILL. Oh, you hit that later on.

Dr. SEABORG. Yes.

Senator HILL. All right.

TECHNICAL INFORMATION SERVICES AND MATERIALS

Dr. SEABORG. Technical information services and materials are provided throughout the Atomic Energy Commission, its contractors, private industry, and the general public to fill the need of the technical community for scientific and technical information developed in the atomic energy program. Information on technology and innovations useful for nonnuclear purposes developed by AEC contractors during the course of their nuclear-oriented work is also made available to industry. The programs of domestic and international exhibits and international conferences will be continued.

ISOTOPES DEVELOPMENT

Estimated 1966 operating costs for the isotopes development program are \$12.8 million, an increase of \$3.5 million over the 1965 estimate. The purpose of this program is to develop and demonstrate applications of radioisotopes and radiation.

During 1966 emphasis will be placed on isotope technology in areas of direct Government interest. Increased attention will be given to development of thermal applications of radioisotopes such as plutonium 238, polonium 210, strontium 90, curium 242 and curium 244 for space and underseas uses. Work on radiation preservation

of foods and development of technology for use of large radiation sources for other industrial processing purposes will continue.

Plowshare

The 1966 budget request includes \$17.9 million for the Plowshare program, an increase of \$6.9 million over the 1965 level.

Within this program, research and development is conducted on the many possible peaceful uses of the energy released by nuclear explosives. These uses may be generally grouped into three categories: excavation, scientific research, and underground engineering. Most of the field projects planned for fiscal year 1966 would be to develop cratering technology and explosives for nuclear excavation. Any such projects would be designed to meet the limitations of the limited nuclear test ban treaty. In the scientific research area, we are planning very important underground nuclear experimentation designed to improve a nuclear explosive device which can create an intense flux of neutrons in a target and create new heavy elements or heavier isotopes of existing elements. Our research and development effort will also include work on underground engineering applications, which mainly involve contained nuclear explosions to assist in the exploitation of natural resources. There are possibilities of joint efforts with industry in this field.

PROGRAM IN FOREIGN COUNTRIES OR WITH FOREIGN NATIONALS

Senator ELLENDER. Doctor, to what extent are we developing the isotopes in carrying on Plowshare in foreign countries?

Dr. SEABORG. We are not doing anything in carrying on Plowshare in foreign countries at the present time although we have identified places where the use of nuclear explosives would apparently be very efficient. Perhaps the most efficient way of carrying out a project in numerous foreign locations—

Senator ELLENDER. But that would be carried on by you or under your auspices.

Dr. SEABORG. That would be carried on by us under our auspices.

Senator ELLENDER. Well now, another question. To what extent are we extending knowledge to foreigners under this program by way of research scholarships or by way of giving free tuition to them? We had such a program quite a while ago, and we were starting the construction of schools for that purpose. I presume that has been discontinued.

Dr. SEABORG. We are doing nothing like that in Plowshare.

Senator ELLENDER. Because it was just bidding out at the time, and I wish to say that that is one of the few programs that the Atomic Energy Commission advocated that I opposed, and I am glad that they have discontinued it. I would like to know if any of these moneys that we are providing are used to assist foreign scientists in this country or abroad?

Dr. SEABORG. Nothing in the Plowshare area at all.

Senator ELLENDER. What is that?

Dr. SEABORG. Nothing in the Plowshare area.

Senator ELLENDER. No, no; I am talking about any program. Now, you take isotopes. There was some money spent and I presume there is now. Well, you have my question there, Doctor. I wish you would review it and give your answer. I am sure that you are spending money abroad, and you may not be in a position to give us the figures now.

Dr. SEABORG. All right.

Senator ELLENDER. I wish you would furnish it, please.

Dr. SEABORG. We will.

Senator HILL. Supply that for the record, Doctor.

Dr. SEABORG. We will furnish that.

(The information requested follows:)

RESEARCH AND DEVELOPMENT COSTS ABROAD

The Commission does not support research scholarships or give free tuition to foreigners. The Argonne Institute of Nuclear Science and Engineering and the Oak Ridge School of Reactor Technology, which trained both foreign and domestic scientists, have been discontinued.

The Commission does support research and development work essential to the Commission's programs, in foreign countries, for which approximately \$4.9 million has been budgeted for fiscal year 1966. Approximately two-thirds (\$3.2 million) of this amount will be spent in connection with the research program in Japan, under contract with the U.S. National Academy of Sciences, to study the effects of radiation on the Japanese resulting from the bombing of Hiroshima and Nagasaki. Other high priority life sciences research work aggregating \$0.9 million which is being carried out abroad includes the genetics studies in Italy where the Catholic Church has maintained birth and death records for several centuries, and the stratospheric balloon sampling program in Australia which constitutes an important Southern Hemisphere sampling location in the atmospheric radioactivity and fallout program. The balance of this research consists of small research projects essential in providing baseline information for understanding radiation effects.

Finally, \$0.8 million is budgeted for work essential to the conduct of the heavy water organic cooled reactor program which will be conducted in Canada where the WR-1 test reactor will be used to gain important data on fuel element irradiations. It would cost the United States about \$15 million to construct a similar facility to perform this work.

COMMUNITY PROGRAM

Dr. SEABORG. The 1966 estimate of \$8.9 million for the community program provides for the operation of the Los Alamos, N. Mex., community and assistance payments to the former AEC communities of Oak Ridge and Richland. Legislation has been enacted to terminate the Government ownership of the town of Los Alamos over a period of the next few years but, under the established schedule for this transfer, the AEC will still be operating the community in 1966.

PROGRAM DIRECTION AND ADMINISTRATION

Costs for program direction and administration in 1966 are estimated at \$81.5 million, which is \$1.4 million above the 1965 estimate. This covers the salaries and other costs of the Federal employees engaged in executive direction, technical supervision, regulatory and general administrative functions of the atomic energy program. The budget provides for 5,540 employees in program direction and administration at the end of fiscal year 1966. This is 71 above the June 30, 1965 level of 5,469.

PLANT AND CAPITAL EQUIPMENT

The appropriation request of \$250 million and the unobligated balances carried forward provide for obligations of \$296,745,000 for plant and capital equipment in 1966. Included in this total are \$134.6 million for new construction, \$3 million for construction planning and design, and \$159,110,000 for capital equipment not related to construction.

The detail to support these amounts is included in the budget justifications, and we are prepared to discuss it with you.

BUDGET REDUCTIONS AND REQUESTED RESTORATIONS

As indicated earlier, the authorizing legislation and the appropriation action of the House resulted in reductions of \$126 million from the budget request as originally submitted to the Congress. The reduction consists of \$114 million for operating expenses and \$12 million for plant and capital equipment.

OPERATING EXPENSES

Of the \$114 million reduction for operating expenses, about \$47 million represents a reduction in requirements for new funds in 1966 resulting from revised estimates of unobligated 1965 funds available for carryover to 1966. Thus, the reduction applied to planned 1966 programs is about \$67 million. After careful consideration of current requirements, we urge restoration of \$24.4 million—\$13.6 million for reactor development, \$3 million for physical research, \$1.8 million for isotopes development and \$6 million for changes in selected resources related to these proposed program increases. The basis for these proposed restorations has been set forth in the material furnished to the committee, but I would like to comment briefly on each of the items.

REACTOR DEVELOPMENT PROGRAM

The requested restoration of \$13.6 million for the reactor development program includes restoration of the \$2 million reduction made in the fast breeder development program. We feel strongly that we must move forward vigorously with the breeder program because of its great importance for the effective and economical use of the Nation's nuclear energy resources. Achievement of breeder objectives requires a substantial buildup of technical facilities and manpower to resolve the complex technical and engineering problems and demonstrate reliability of the reactor concept. We urge approval of the entire \$29,030,000 budget for this activity in 1966.

Senator HILL. What reason did the House assign to their reduction, Doctor, do you recall?

Dr. SEABORG. Just that we should be satisfied with a slower rate of growth, a slower rate of progress.

NUCLEAR SUPERHEAT PROJECT

We also propose that the \$1.5 million reduction, from \$2.5 million to \$1.0 million, for the nuclear superheat project be restored. This research and development work in support of the Bonus and Pathfinder

projects is in its final phase. The full \$2.5 million requested is necessary to provide sound technological support for these two projects and to make effective use of the very sizable past investment in this field by completing the development in an orderly fashion.

ARMY POWER REACTOR PROGRAM

The reduction of \$2.1 million for the Army power reactor program would reduce the amount available for the ML-1 reactor to \$2.0 million. This amount is not sufficient to carry on effectively both the operation of the reactor and evaluation of the system—activities which must be carried out in parallel to provide a complete development effort. Though the Army is not proceeding at this time with procurement of a reactor based on this development, the ML-1A, it has indicated a continuing strong interest in our technology development. Restoration of the \$2.1 million reduction is necessary for successful completion of the ML-1 system development, a pioneering effort on a land-mobile nuclear system.

Senator HILL. If I may interrupt you there, Doctor, I may say I have a letter here from Senator Frank Church and Senator Len B. Jordan, of the State of Idaho, strongly supporting your request for the restoration of these funds. It closes:

We respectfully urge your committee to restore the full budget of \$4.1 authorized by the Joint Committee on Atomic Energy for the completion of this project. Failure to continue this program when it is so close to completion and has proven its capability and needs, would be a shameful waste of the tax dollars already spent, and an even more terrible loss of a new exceptional tool in the construction of the marvelous nuclear world of tomorrow.

Dr. SEABORG. Very good, the letter is supporting exactly the proposal I make.

Senator HILL. I will place this letter in full in the record. It supports your contention fully, does it not?

Dr. SEABORG. Yes, and identically.

(The letter referred to follows:)

U.S. SENATE,
Washington, D.C., July 9, 1965.

HON. LISTER HILL,
New Senate Office Building,
Washington, D.C.

DEAR LISTER: On July 16, 1945, on the sands of New Mexico, this country became the acknowledged leader in the development of atomic energy. We have never relinquished that lead and the list of nuclear "firsts" in both military and civilian application will make an impressive chapter in the recorded history of man's progress.

Today we are on the threshold of another significant "first"—one which ranks with the production of the world's first nuclear powerplant, the nuclear-powered vessel, and the first nuclear plant to operate in space.

Developed largely at the National Reactor Testing Station in Idaho, the world's first truly ground mobile nuclear powerplant is now 90 percent completed. Known as the ML-1 (mobile, low power, first prototype) nuclear powerplant, it has been under development through joint funding of the Atomic Energy Commission and the U.S. Army.

The ML-1 weighs less than 40 tons and can be transported by rail, highway, or air and put in operation on-site within 12 hours. It can then operate for a year without refueling.

While the military applications of this mobile nuclear powerplant are manifest, its future civilian application is far more impressive. Such a highly mobile plant could be rushed to disaster areas and supply needed power for a

small community. It is designed to operate under sealed and pressurized conditions and may well be the key to the conquest of the inner spaces of the ocean and under the great ice packs of the poles.

More than \$50 million has gone into development of this prototype plant. It is 90 percent complete. It has proven itself in more than 3,000 hours of continuous operation in Idaho. All that remains is modification of the turbine system and final delivery is programmed for 1968.

The Joint Committee on Atomic Energy authorized \$4.1 million in fiscal year 1966 for the continuation of the development program on ML-1. The Army will provide \$1.8 in fiscal year 1966 for complementary technology.

The fiscal year 1966 public works appropriation bill reported out of the House on June 16 reduced the AEC funding for this project from \$4.1 to \$2 million. This cutback will not permit the AEC developmental program to be carried to a logical conclusion whereby the Army can procure field units based on a fully demonstrated powerplant.

It must be pointed out that this would also preclude the future civilian benefits of such a plant. It should also be pointed out that the costs of producing this prototype mobile nuclear powerplant are far greater than the production costs of the plant will be once final research and development is complete.

We respectfully urge your committee to restore the full budget of \$4.1 authorized by the Joint Committee on Atomic Energy for the completion of this project. Failure to continue this program when it is so close to completion and has proven its capability and needs, would be a shameful waste of the tax dollars already spent, and an even more terrible loss of a new exceptional tool in the construction of the marvelous nuclear world of tomorrow.

Sincerely,

FRANK CHURCH,
LEN B. JORDAN.

SNAP 10-A

Dr. SEABORG. The reduction of \$6 million for SNAP 10-A would eliminate funds for a second flight of this reactor system which was first flight tested in April of this year. Analysis of SNAP-SHOT I flight test data is underway but will not be completed for about 2 more months. This analysis should be completed before making a final decision on the need for a second flight test of SNAP 10-A. For this reason, we propose restoration of the \$6 million reduction.

Senator HILL. Let me ask you a question here with reference to this \$6 million reduction. You state you still have under study the need for a second flight, is that correct?

Dr. SEABORG. That is right.

Senator HILL. Suppose after you complete your study you decide not to have the second flight, what would happen to this money? Could it be used in some other place?

Dr. SEABORG. Oh, yes; very definitely. If the Commission should decide, when the time comes, that a second flight would not be warranted, and therefore the \$6 million would not be required for this purpose, there would exist a number of essential alternative programs to which the money may be wisely and beneficially applied.

Senator HILL. Good use for this money?

Dr. SEABORG. Very good use. For example, our study might point up areas of further research and development work which would be necessary in order to prevent a shutdown, similar to the one that we just experienced in the SNAP 10-A flight, in future orbiting reactor systems.

Another use might be that we would find it desirable to uprate the SNAP 10-A concept to a power level of 1 to 3 kilowatts, if mission reviews now underway indicate that such a system would have economic advantages over solar cells or radioisotopes, and in addition,

there may be demands for additional support in other activities of the SNAP reactor program which we would want to consider.

Of course we would use these funds only after obtaining the necessary executive and congressional clearances prior to effecting any reprogramming of this kind.

SNAP 50

For advanced space power systems, SNAP 50, the House bill would allow \$10 million, which is \$12 million below the amount requested by AEC and \$2 million below the amount approved in the authorization act. In keeping with the Joint Committee on Atomic Energy report on the authorization legislation, the Commission has now decided to terminate the SNAP 50 work at CANCEL. We are planning to transfer this advanced reactor technology activity to the Lawrence Radiation Laboratory at Livermore, Calif. In 1966 we need to provide for close out costs at CANCEL and we want to do everything we can to minimize the adverse effects of the disruption associated with this significant program adjustment. To this end a significant portion of the funds must be spent for the orderly closeout thus detracting from the amount available for productive research and development. If we are to have even the minimum amount for conducting an effective development program, including continuation of power conversion work as well as the reactor technology effort, restoration of the \$2 million becomes necessary.

PHYSICAL RESEARCH PROGRAM

The total for the physical research program has been reduced by \$3 million, from \$239 to \$236 million. After reflecting adjustments among activities made in accordance with the authorizing legislation, the allowance for high-energy physics is \$98 million, a reduction of \$2.5 million, and the allowance for controlled thermonuclear research is \$21.5 million, a reduction of \$2 million. We are asking restoration of \$2 million for high-energy physics and \$1 million for controlled thermonuclear research.

HIGH-ENERGY PHYSICS PROGRAM

The restoration is required in the high-energy physics program to permit more effective exploitation of the research capabilities of major accelerators. The research output of these large machines can be increased significantly when they are operated continuously. Also, funds are required to permit initiation of new university user groups and to augment the capability of existing groups using these major research tools. These user groups play a very important role in this program and we need to provide additional support.

CONTROLLED THERMONUCLEAR RESEARCH

The proposed restoration of \$1 million for controlled thermonuclear research is necessary for an orderly continuation of this program through the period of the comprehensive program review now underway. Because of the increasing complexity and costs of this

experimental work, holding the 1966 level at the 1965 dollar level of \$21.5 million would result in a reduction of programmatic effort from the 1965 level.

ISOTOPES DEVELOPMENT PROGRAM

The isotopes development program has been reduced by \$1.8 million, from \$12.8 million to \$11 million. The bulk of the reduction would have to be applied to the development of isotopic power and heat source fuels. A substantial increase has been proposed for these activities in order to carry out a meaningful radioisotopic fuels development program in direct support of systems development work by Atomic Energy Commission, National Aeronautics and Space Administration, and the Department of Defense on high priority isotopic power and propulsion systems. The efforts of the various groups in this field are closely related and the work involves many long leadtime items. Any lag in the important fuels development part of the program can seriously affect progress in the overall program for use of radioisotopes in space, marine and terrestrial systems and can lessen the effectiveness of other expenditures in this field. Moreover, this whole field of radioisotopes development is one in which the United States is faced with strong competition from foreign countries, including a substantial effort by the Soviet Union.

With respect to the comment in the House Appropriations Committee report concerning increased private industry participation in radioisotope technology development costs, I want to assure you that we are encouraging as much private participation as possible in view of the fact that most of the activities in this category are concerned with problems of governmental and public interest.

CHANGES IN SELECTED RESOURCES

The proposed restoration of \$6 million for changes in selected resources is related to the requested restorations in operating program costs.

PLANT AND CAPITAL EQUIPMENT

Of the total \$12 million reduction for plant and capital equipment, we are requesting restoration of funds for two items: \$4,800,000 for an electron linear accelerator facility at the Oak Ridge National Laboratory and \$250,000 for capital equipment not related to construction in the isotopes development program.

ORNL ACCELERATOR

The Commission feels very strongly that the proposed ORNL accelerator is an essential tool for the AEC fast breeder reactor development program. It will provide nuclear data which is needed as soon as possible and which cannot be obtained either with existing facilities or with other planned facilities.

The proposed ORNL accelerator has characteristics which are of particular interest to the fast breeder reactor development program. It will provide a unique and needed capability for higher neutron

intensities and improved energy resolution in the higher energy neutron ranges, 1 to 300 kilo electron volts. The AEC Advisory Committee on Reactor Physics and the Nuclear Cross Section Advisory Group have both strongly endorsed the need for this facility. Deferral of this facility would have a serious adverse effect on progress in fast breeder development technology.

In addition to its primary use in the breeder program, the ORNL accelerator will have important uses in other program activities. For example, it will provide data necessary in the optimization of mobile reactors and shielding systems. We urge full restoration of the \$4.8 million for this project.

Senator GORE. Mr. Chairman, may I inquire?

Senator HILL. Senator Gore.

Senator GORE. With this degree of urgency, do you know upon what reasoning and logic that the House committee reduced this or cut it out?

Dr. SEABORG. They may have connected it with the fact that we also have another electron accelerator in the budget for a university, which, by the way, is for an entirely different purpose. It does not conflict at all or in any way with the Oak Ridge accelerator.

Senator GORE. There is no overlapping of function.

Dr. SEABORG. No overlapping of function at all.

Senator GORE. Well, I shall not ask you to choose between the two because you have asked for both. But if a choice must be made, the one you have just described surely would not come off a poor second.

Dr. SEABORG. Well, I think the way I would put it is in the positive sense, that I feel very strongly about this, and if I were personally to make a choice as to what I consider the most important restoration that we are requesting in the budget, I would put this first.

Senator GORE. Mr. Chairman, I ask unanimous consent to place in the record at this point a statement in support of this restoration in which statement Senator Bass concurs.

Senator HILL. It is so ordered.

Senator GORE. Thank you, Mr. Chairman.

Senator HILL. Any other questions, Senator Gore?

Senator GORE. No more.

(The statement referred to follows:)

STATEMENT OF HON. ALBERT GORE, A U.S. SENATOR FROM THE STATE OF TENNESSEE

Mr. Chairman, the budget submitted by the President proposed an appropriation of \$4,800,000 for construction of an electron linear accelerator at the Oak Ridge National Laboratory at Oak Ridge, Tenn. During its consideration of H.R. 9920, the House of Representatives eliminated this item entirely. I urge that the amount requested be restored to the bill by this committee and by the Senate.

The Oak Ridge accelerator is intended for use in the program for development of nuclear power. The breeder reactors—those producing more nuclear fuel than they consume—may, in the long run, prove to be the most economical and efficient producers of electric energy. The performance, efficiency, and operational safety of this particular type of reactor depend critically upon the accuracies of the neutron cross section information used in its design.

An electron linear accelerator provides the most suitable neutron source for cross section measurements in the intermediate energy range. No such accelerator is now in operation in any laboratory in this country, although several such facilities exist at atomic energy laboratories in other countries. We cannot

safely rely upon information developed in other countries for application to our own reactor development program; and efforts to utilize an accelerator at Rensselaer Polytechnic Institute have been unsatisfactory. The availability of such an accelerator at one of our own national laboratories, readily accessible to the scientists and engineers associated with our reactor technology program, is necessary to maximize the results of those engaged in this important program.

In addition to its primary mission, the proposed accelerator will be of great benefit to the physics education program in the entire southern portion of the United States. There is presently no such accelerator anywhere in this region. It is contemplated that graduate students and postdoctoral fellows from southern schools will participate in the research performed at this accelerator, thus assisting in providing a larger reservoir of capable scientists important to future research and development programs in the Atomic Energy Commission.

The budget also contained a request for funds for the construction of a linear accelerator at the Massachusetts Institute of Technology. Funds for this accelerator are included in the House bill. From the language appearing in the House report, it would appear that the House committee may have felt that the proposed Oak Ridge accelerator duplicated the one proposed for MIT. In fact, the two accelerators are intended for entirely different ultimate usage. The accelerator proposed for MIT will be used in the medium energy nuclear physics research program. It will be designed to do work and to produce information different from the neutron measurements for which the Oak Ridge accelerator is to be used. The two accelerators are for different purposes and each will be designed and built to further two important but separate programs.

The future of nuclear power in the United States may well depend upon the success we have in designing, constructing, and operating breeder reactors. The accelerator proposed for Oak Ridge is badly needed in the program for development of this type of reactor. Accordingly, I urge the committee to restore to the bill the funds requested in the budget for its construction.

ISOTOPES EQUIPMENT

Dr. SEABORG. The reduction of \$250,000 for isotopes equipment was identified with the radioisotopes production and separations technology category. The \$400,000 which would be left in this category would not be sufficient to support the ongoing radioisotope productions program at the various sites.

OTHER REDUCTIONS

We are not requesting restoration of the remaining reductions, including the reductions in the raw materials, special nuclear materials, weapons, and plowshare programs. I would like to make a few comments, however, concerning the reductions in these four programs.

Estimates for the raw materials program are based on scheduled deliveries under existing contracts. The reduction of \$2,770,000 was based on anticipated underruns. We are not appealing this reduction but if slippages in deliveries do not occur, it could be necessary to provide additional funds for this program from within total AEC fund availability.

SPECIAL NUCLEAR MATERIALS PROGRAM

The \$2,625,000 reduction for special nuclear materials includes a \$625,000 reduction for uranium 235 and a \$2 million reduction in process development. While we are not asking for restoration of funds for this program, we urge that we be given flexibility to apply the \$2 million reduction on a programwide basis rather than applying

it specifically to process development as suggested in the House report. The amount in the budget for process development in fiscal year 1966 is already below previous levels. These funds are needed to enable the technical staffs at the production sites to maintain an efficient and economical capability that can respond to program changes. The search for significant cost savings and the introduction of potential new reactor products for space and other purposes requires thorough examination of optimum production methods; programs must be developed for the long-term storage of the tens of millions of gallons of highly radioactive waste resulting from production operations; and ways must be found to provide for the 1970's the additional diffusion plant capacity to produce enriched uranium at a cost low enough to reduce the cost of nuclear power. For these reasons we urge that the House cut not be specifically applied to the process development category.

WEAPONS PROGRAM

We also are not appealing the reduction of \$3 million in the weapons program. If evolving national defense requirements should necessitate changes in the weapons program, we would expect to make necessary adjustments.

PLOWSHARE PROGRAM

Finally, we are not appealing the reduction of \$2.5 million in the estimates for the plowshare program. This reduction was applied to the estimate of \$5.5 million for a large cratering experiment called Schooner in Idaho. The remaining \$3 million would not be sufficient to complete the experiment in fiscal year 1966. However, these funds would permit us to make important progress in cratering technology, including such work as can be prudently accomplished in preparing the site for Project Schooner.

This concludes my prepared statement. The Commission and staff will be glad to discuss any questions you may have.

MESON FACILITY AT LOS ALAMOS SCIENTIFIC LABORATORY

Senator HILL. Doctor, I have a letter from Senator Anderson, former chairman of the Joint Committee on Atomic Energy, addressed to Senator Hayden, chairman of the full Appropriations Committee of the Senate, dated June 22, 1965, in which it says:

The House Appropriations Committee has deleted from the Atomic Energy Commission's appropriations for the coming fiscal year \$1.2 million authorized for architect-engineering work for the planned meson facility at Los Alamos Scientific Laboratory. I urge that these funds be restored by your committee. The House Appropriations Committee approved \$2 million for advanced research and development and advanced design for this project.

A panel of top scientists recommended as early as 1963 that a meson factory be constructed. Such a facility is essential to the further development of our knowledge of the basic structures of the atom. No existing facility can do the experimentation planned for the meson facility.

Approval of the \$1.2 million will permit the Atomic Energy Commission to begin immediate work on drawing up the specifications for the facility, thus providing the AEC with a firm cost estimate to present to the Congress when funds for actual construction are requested.

(The letter follows:)

U.S. SENATE,
COMMITTEE ON AERONAUTICAL AND SPACE SCIENCES,
June 22, 1965.

HON. CARL HAYDEN,
Chairman, Appropriations Committee,
Room 1235, New Senate Office Building,
Washington, D.C.

DEAR MR. CHAIRMAN: The House Appropriations Committee has deleted from the Atomic Energy Commission's appropriations for the coming fiscal year \$1.2 million authorized for architect-engineering work for the planned meson facility at Los Alamos Scientific Laboratory. I urge that these funds be restored by your committee. The House Appropriations Committee approved \$2 million for advanced research and development and advanced design for this project.

A panel of top scientists recommended as early as 1963 that a meson factory be constructed. Such facility is essential to the further development of our knowledge of the basic structures of the atom. No existing facility can do the experimentation planned for the meson facility.

Approval of the \$1.2 million will permit the Atomic Energy Commission to begin immediate work on drawing up the specifications for the facility, thus providing the AEC with a firm cost estimate to present to the Congress when funds for actual construction are requested.

Sincerely yours,

CLINTON P. ANDERSON.

SAFEGUARD FUNCTION OF FACILITY

Senator HILL. I believe you had a question on this.

Senator PASTORE. One of the four safeguards requested by the Joint Chiefs of Staff, instituted by President Kennedy and reaffirmed by President Johnson, reads as follows:

The maintenance of modern nuclear laboratory facilities and programs in theoretical and exploratory nuclear technology which will attract, retain, and insure the continued application of our human scientific resources to these programs on which continued progress in nuclear technology depends.

Now, General Crowson, Director of Military Application for the Atomic Energy Commission, testified before the Joint Committee that the construction of the proposed meson physics facility at Los Alamos was in furtherance of the safeguard I just quoted. Do you not agree that this is so? That is the question, do you, Dr. Seaborg?

Dr. SEABORG. I would agree that the presence of this facility at Los Alamos would be in furtherance of that safeguard.

Senator PASTORE. Should we not therefore do all we can to further the construction of this facility?

Dr. SEABORG. I feel that it would be a very good facility to have at Los Alamos.

CONSTRUCTION OF FACILITY

Senator PASTORE. Without careful architect-engineering work to establish the engineering specifications and dependable cost estimates, how can you come in next year and request construction for this project? Such architect-engineering work takes time. If you start such work next year, you will delay the project by a year. I think this is predicated upon the fact that it was originally intended that you would come next year for this, is that correct?

Dr. SEABORG. As you know, it was added to the President's budget. Senator PASTORE. By the Joint Committee.

Dr. SEABORG. By the Joint Committee, with that in view.

Senator PASTORE. Well, let me put it this way, Doctor. If this committee saw fit to put the money in, consonant with the authorization, in view of the fact that it is knocked out by the Bureau of the Budget, what is your reaction?

Dr. SEABORG. In that case, we would have to obtain the concurrence and approval of the Bureau of the Budget to utilize the money.

Senator PASTORE. But if it is true that this is in furtherance of what I have just pointed out as one of the safeguards, why should it not be done now, and if it can be done now, why should it be delayed? Is there not any money for this in the operating portion of the budget?

Dr. SEABORG. Yes, there is.

Senator PASTORE. Well, you get money for operating and what are you going to operate?

Dr. SEABORG. There is \$2 million in our operating budget for research and development, and conceptual design and we do have a line item in our construction budget from which we can support advanced architect-engineering on a number of projects contemplated for future budgets. We have allocated \$0.5 million of this money for advanced architect-engineering on this project.

SUMMARY

Senator PASTORE. All right. Now at this point will you give me these figures in total? What is the grand total of your original request for funds?

Dr. SEABORG. For the meson facility?

Senator PASTORE. No, no; for the whole appropriation request.

Dr. SEABORG. Our original request is \$2,481 million.

Senator PASTORE. That is for operating and construction.

Dr. SEABORG. That is for operating and construction.

Senator PASTORE. How much did the House allow you?

Dr. SEABORG. The House allowed us \$2,354,995,000.

Senator PASTORE. Which is a cut of how much?

Dr. SEABORG. That is a cut of \$126 million.

Senator PASTORE. And you are asking a restoration of how much of the \$126 million?

Dr. SEABORG. \$29,450,000.

Senator PASTORE. After careful study.

Dr. SEABORG. After very careful study. Also, I would say we have been quite selective and have accepted a number of cuts which obviously we would like to have restored.

Senator HILL. Is there anything you would like to add, Doctor?

Dr. SEABORG. No, I do not think so.

(Discussion off the record.)

Senator HILL. Any other questions?

(No response.)

Senator HILL. Doctor, we want to thank you and the members of your staff and the members of the Commission very, very much.

Dr. SEABORG. Thank you.

(Letters submitted by Congressman Vivian and Senator Kuchel follow:)

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 4, 1965.

HON. CARL HAYDEN,
Chairman, Senate Committee on Appropriations,
Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Enclosed please find copy of a letter which I have transmitted to Dr. Glenn T. Seaborg, Chairman of the Atomic Energy Commission, concerning the need for Federal support of university-based atomic research reactors.

I am particularly concerned about the need for support for the Michigan Memorial-Phoenix project laboratories. But beyond this local interest, I am, as a scientist, concerned that university-based and supported reactors throughout the country be given the support warranted by the great contribution which they are making, and can continue to make, to the Nation's critical supply of both knowledge and of trained personnel.

I would be deeply grateful if this concept, and the specific proposal made by the Michigan Memorial-Phoenix project might have your interest and support. If it would be of value, I would be pleased to supply you with a copy of that proposal.

Respectfully,

WESTON E. VIVIAN,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 4, 1965.

Dr. GLENN T. SEABORG,
Chairman, U.S. Atomic Energy Commission,
Washington, D.C.

MY DEAR MR. CHAIRMAN: I recently received a copy of the proposal for "Operating Funds for the Laboratories of the Michigan Memorial-Phoenix Project." I find this proposal to be an extremely compelling one, which would have long-range educational and research benefits for our country. In my role both as the Congressman from the Second District of Michigan, in which is located the University of Michigan, and as a research scientist, I strongly commend this proposal to you.

I believe that it is clearly in the national interest for the Atomic Energy Commission to take major responsibility for support of university-based nuclear research facilities. In the case of the MM-PP, I feel that it has been adequately demonstrated that this particular facility has made significant contributions, both in terms of training and education, and in terms of research support.

In proposing that the Commission contribute to the operating funds of the MM-PP laboratories, the staff wisely reserves to the project the responsibility for continuing to fund and administer its granting program. Rightly, I believe, the proposal points out that this program is able, because it is locally funded and administered, to make "seed money" grants available to younger, less proven researchers, often for extremely speculative projects. (Yet it was an MM-PP grant to just such an inexperienced researcher, for just such a risk, which led to the development of the bubble chamber concept, and ultimately to a Nobel Prize for Dr. Donald Glaser.)

In addition, as the proposal points out, MM-PP, by specifically avoiding the role of a central research institution, has instead generated programs, and indeed entire departments, within the traditional university structure. While this may be a unique function for such a facility, it is certainly no longer an unproven one.

The staff of MM-PP has acknowledged its debt to the Atomic Energy Commission for the fuel supply which the Commission has made available in the past, estimating the dollar value of the same at about \$65,000 annually. However, MM-PP now seems to be faced with the option, without Federal support, of cutting back either on its granting program or on the operation of its laboratories. Neither of these options is, in my opinion, one which would serve the needs of the growing nuclear research field. I urgently request that the

decision to reject the proposal be seriously reviewed at least for fiscal year 1967 and if possible, even for fiscal year 1966.

Sincerely,

WESTON E. VIVIAN,
Member of Congress.

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
July 9, 1965.

HON. LISTER HILL,

*Chairman, Subcommittee on Atomic Energy and Tennessee Valley Authority
Items of the Civil Works Appropriations Subcommittee, Committee on Ap-
propriations, U.S. Senate, Washington, D.C.*

DEAR SENATOR HILL: The accompanying thoughtful letter from a California scientist questioning the adequacy of funds allowed for a particular research project for the Atomic Energy Commission refers to an activity with which I am not personally acquainted. It occurred to me these provocative comments might be worth having evaluated by someone on the staff responsible for looking into AEC funding.

Sincerely,

THOMAS H. KUCHEL,
U.S. Senator.

WALNUT CREEK, CALIF., July 3, 1965.

Senator THOMAS KUCHEL,
U.S. Senate, Washington, D.C.

DEAR SENATOR KUCHEL: The recent action of the House Appropriation Committee relative to the AEC controlled fusion research program (Project Sherwood) has prompted me to write to you. I hope that it is not too late for reversal of this action to be given your earnest consideration. As you know, the House committee chose to deny the 5-percent increase recommended by the Joint Committee on Atomic Energy. I feel that this reduction (in effect a further cut) is most unfortunate. Briefly, the reasons for my concern are as follows:

(1) Despite the difficulty of the fusion problem, the potentialities of fusion power are enormous compared to the research cost. If it can be achieved, fusion is recognized as being an ideal energy source on every count.

(2) Even though fusion research is gaining momentum in many countries, the U.S. fusion program has declined to less than one-half of its budget (in 1958 dollars) relative to 1958. At that time the United States was the acknowledged world leader in fusion research. As a member of an AEC team that toured the U.S.S.R. fusion laboratories, I can personally attest to the fact that the U.S.S.R. fusion research is supported at an accelerating level, now estimated to be $2\frac{1}{2}$ to 3 times the present U.S. effort.

(3) As a member of the Physics Survey Committee of the National Academy of Sciences, I am aware of the committee's collective opinion: that present weakness in the plasma research area is a matter for national concern, considering the highly important technological and defense implications of plasma research.

(4) Fusion research forms a natural focus for advanced high temperature plasma research in the United States, and has sparked nearly all of the theoretical, experimental, and technological advances in this field. A shrinking support for fusion thus has a major impact on all plasma research. It also means the shrinking of opportunities (and motivation) for new and talented physicists to be trained in the plasma field. Thus the Nation's support policy on fusion research has an effect far out of proportion to the dollars involved.

I understand that the main reason given by the House committee in refusing any increase was that a review of Project Sherwood is in progress. I submit that such action (cutting back) only perpetuates a position of weakness of the United States and delays yet another year a long overdue correction of this situation. Even a token increase would mean a great deal to the dedicated physicists who remain in this field, convinced of its great importance, and would indicate a recognition of a desire to correct the situation.

I should clearly admit that I am not without direct interest in this matter, as I am in charge of one of the fusion programs at the University of California Radiation Laboratory at Livermore. Yet I really feel that I can be objective about the matter. I have been in the field since 1952 (when Sherwood began)

and have seen enormous strides in the understanding of what is one of the most difficult but fascinating research efforts in progress today.

Both as a scientist and as a citizen I am deeply concerned by the fact that the United States, as the Nation most advanced in science and technology, is being forced to take an inferior position in this important field of advanced research.

Sincerely,

RICHARD F. POST.

SUBCOMMITTEE RECESS

Senator HILL. The subcommittee will recess subject to the call of the Chair.

(Whereupon, at 3 p.m., Wednesday, July 14, 1965, the subcommittee was recessed.)

one of the most important in the history of the world. It is a record of the progress of the human race, and it is a record of the progress of the human mind. It is a record of the progress of the human race, and it is a record of the progress of the human mind.

to the people of the world. It is a record of the progress of the human race, and it is a record of the progress of the human mind. It is a record of the progress of the human race, and it is a record of the progress of the human mind.

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PUBLIC WORKS APPROPRIATIONS FOR 1966

FRIDAY, JULY 16, 1965

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10 a.m., in room 126, U.S. Capitol, Hon. Lister Hill, chairman of the subcommittee, presiding.

Present: Senators Hill and Ellender.

TENNESSEE VALLEY AUTHORITY

STATEMENT OF AUBREY J. WAGNER, CHAIRMAN; ACCOMPANIED BY A. R. JONES, VICE CHAIRMAN; FRANK E. SMITH, DIRECTOR; L. J. VAN MOL, GENERAL MANAGER; C. J. McCARTHY, GENERAL COUNSEL; LEWIS B. NELSON, MANAGER OF AGRICULTURAL AND CHEMICAL DEVELOPMENT; G. O. WESSENAUER, MANAGER OF POWER; RICHARD KILBOURNE, DIRECTOR OF TRIBUTARY AREA DEVELOPMENT; O. M. DERRYBERRY, DIRECTOR OF DIVISION OF HEALTH AND SAFETY; R. M. HOWES, MANAGER, LAND BETWEEN THE LAKES PROJECT; MARGUERITE OWEN, WASHINGTON REPRESENTATIVE; E. P. ERICSON, ASSISTANT TO THE GENERAL MANAGER; AND L. E. ELLIS, CHIEF, BUDGET STAFF

THE 1966 BUDGET REQUEST

Senator HILL. The subcommittee will kindly come to order.

Mr. Wagner, we are very happy to have you, and Mr. Jones, Mr. Smith, and members of your staff. We will place the summary of your budget program in the record and we will be pleased to have you proceed with reference to your budget items in the President's budget message to Congress for the Tennessee Valley Authority.

Mr. WAGNER. Thank you very much, Mr. Chairman.

Mr. Jones, Mr. Smith, and I and the members of our staff are pleased to come before you to present this 1966 appropriation request. (The budget program summary follows:)

The Tennessee Valley Authority is a corporation wholly owned by the Federal Government. It is an independent agency under a Board of Directors responsible to the President and the Congress. It was created by the Congress in 1933 for the unified conservation and development of the resources of the Tennessee Valley. TVA is charged with the responsibility for developing the Tennessee River for navigation, flood control, and the generation of electric power; for chemical research, the introduction of experimental fertilizers useful in agriculture, and production of related materials needed for national defense; and

for aiding, in the national interest, the comprehensive resource development and economic growth of the Tennessee Valley region in cooperation with the States and their subdivisions and agencies.

A comparative summary of the budget program described on the following pages is shown below.

	1964 actual	1965 estimate	1966 estimate
Appropriations (new obligational authority)-----	\$47, 142, 000	\$47, 915, 000	\$58, 952, 000
Expenditures (accrued):			
Appropriations-----	47, 855, 416	51, 080, 356	58, 257, 000
Power proceeds and borrowings-----	289, 206, 409	292, 564, 000	321, 494, 000
Nonpower proceeds-----	27, 468, 666	23, 357, 000	23, 472, 000
Total budget-----	364, 530, 491	367, 001, 356	403, 223, 000
Payments to the Treasury-----	50, 206, 432	52, 600, 000	57, 200, 000

Summary of 1966 budget financed from appropriations

Continue construction (nonpower portion) of Nickajack Dam and Reservoir near Chattanooga, Tenn. (p. 39)-----		\$12, 400, 000
Continue development of Land Between the Lakes demonstration, western Kentucky and Tennessee (p. 129)-----		9, 900, 000
Continue or complete other major navigation, flood control, and multipurpose projects:		
Guntersville, Ala., navigation lock (p. 6)-----	\$802, 000	
Briston, Tenn.-Va., flood control (p. 16)-----	641, 000	
Beech River, Tenn., multipurpose project (p. 45)---	289, 000	
Subtotal-----		1, 732, 000
Continue additions and improvements to navigation and multipurpose facilities:		
Hiwassee River dredging near Charleston, Tenn. (p. 6)-----	\$600, 000	
Other navigation facilities (p. 7)-----	122, 000	
Multiple-use facility additions (p. 47)-----	600, 000	
Investigations for future facilities (p. 63)-----	1, 100, 000	
Subtotal-----		2, 422, 000
Continue rehabilitation and additions to chemical facilities at Wilson Dam, Ala. (p. 67)-----		5, 774, 000
Continue design of new office building at Chattanooga, Tenn. (p. 137)-----		670, 000
Begin design of medical and general service center at Wilson Dam, Ala. (p. 137)-----		328, 000
Other general facilities (office, transportation, and other general-use facilities)-----		2, 016, 000
Continue design of Bear Creek multipurpose water control system, northwestern Alabama-northeastern Mississippi (p. 41)-----		250, 000
Begin construction of Tellico multipurpose dam and reservoir near Lenoir City, Tenn. (p. 35)-----		5, 775, 000
Begin construction of flood protection facilities:		
Sevierville, Tenn. (p. 14)-----	\$1, 000, 000	
Coeburn, Va. (p. 15)-----	390, 000	
Subtotal-----		1, 390, 000
Program expenses:		
River and power development-----	\$5, 164, 000	
Fertilizer, agricultural, and munitions development-----	7, 452, 000	
Cooperative valley development-----	2, 764, 000	
Land Between the Lakes demonstration-----	618, 000	
General service activities-----	297, 000	
Subtotal-----		16, 295, 000
Total appropriation requested-----		58, 952, 000

Summary of 1966 budget financed from power proceeds and borrowings

Continue construction of:	
Bull Run steamplant unit 1, near Oak Ridge, Tenn.....	\$12, 113, 000
Nickajack Dam and Reservoir (power portion), near Chattanooga, Tenn.....	12, 019, 000
Construction expenditures for a new steam unit at a location not yet determined.....	25, 742, 000
Transmission system facilities.....	61, 000, 000
Additions and replacements of other power facilities; investigations for future power facilities; modernization of Wilson hydro units 1-8; completion of Widows Creek unit 8; and changes in inventories and deferred charges.....	7, 838, 000
Power operating expenses.....	202, 782, 000
Total.....	321, 494, 000

Proceeds from power operations in 1966 are estimated at \$320,484,000; proceeds from borrowings at \$50 million; and other proceeds at \$719,000. Payments to the Treasury are estimated at \$57,200,000—\$42,200,000 as a dividend (return on the appropriation investment in the power program) and \$15 million as a reduction in the appropriation investment in the power program.

Summary of 1966 budget financed from nonpower proceeds

Fertilizer program operating expenses.....	\$18, 549, 000
Changes in chemical inventories.....	—105, 000
Reimbursable services.....	4, 605, 000
Multipurpose reservoir and other operating expenses recovered.....	423, 000
Total.....	23, 472, 000

Nonpower proceeds for the year are estimated at \$24,038,000, of which \$18,398,000 is from the fertilizer program; \$4,605,000 represents reimbursement from other agencies; and \$1,035,000 other miscellaneous receipt items.

BUDGET REQUESTS

The request in the budget as submitted to the Congress is for an appropriation of \$58,952,000. Of this total, \$16,295,000 will be used for carrying on our programs in agriculture, forestry, navigation, flood control and so on. These are continuing programs with which I think the committee is familiar. They are presented fully in the budget document, and I will not elaborate on them unless you have questions.

The remaining \$42,657,000 is for capital outlays, and this is mostly for construction.

I would like to describe briefly some of the larger items in the capital budget.

NICKAJACK DAM

The largest single item is \$12,400,000 to continue construction of the Nickajack Dam. This is a major multiple-purpose dam across the Tennessee River, below Chattanooga, which will replace the existing Hales Bar Dam. You will recall that it was started in fiscal year 1964; and has been under construction for almost 2 years. We are on schedule. We expect to fill the reservoir in the winter of 1967-1968. The appropriations item will be supplemented by \$12,019,000 of power proceeds.

Senator HILL. The Hales Bar Dam is a very old dam, is that right?

Mr. WAGNER. Yes; Hales Bar Dam was built in the early 1900's. It was one of the dams which the TVA acquired from the Tennessee Electric Power Co. in 1939. You will recall that it had foundation

problems from the day it was built. It has now become necessary to replace it.

FLOOD CONTROL PROJECTS

There is also an item of \$2,031,000 for flood control facilities.

These funds will enable us to complete a two-dam flood control system which is under construction near Bristol, Va., and to start two new local flood control projects.

The first item is for \$1 million to start a \$2.7 million channel improvement project at Sevierville, Tenn. Sevierville is a community in the foothills of the Great Smokies, which is subject to rather severe damage from flash floods that come down out of the mountains. There are no reservoirs upstream from the community. Sevierville has had four damaging floods in the past 8 years—the most recent ones in March of 1963, when it was flooded twice, and again in March 1965 when the highest flood in 70 years of record occurred. This project will consist of enlarging about 4 miles of channels, and some channel relocation. We have been working closely with city and county officials on this project for a number of years, and there will be local contributions toward the cost of construction. We have a contract with the city covering its share of the cost. In addition, the city will maintain the project, and it has also agreed to enact and enforce flood-plain zoning and to carry on a program of flood proofing of buildings so that damage will be minimized hereafter.

Senator HILL. I have a letter addressed to Senator Hayden on this project from Senator Bass, which will be included in the record at this point.

(The letter referred to follows:)

U.S. SENATE,
Washington, D.C., March 31, 1965.

HON. CARL HAYDEN,
Chairman, Committee on Appropriations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In the proposed budget for the Tennessee Valley Authority, presently pending for consideration by your committee, there is included approximately \$1 million to start construction of a flood control program for Sevierville in Sevier County, Tenn.

Last week, due to severe rains, the river on which this flood control project is to be constructed again overflowed its banks. Mr. Chairman, this has been an almost annual occurrence for a great number of years. The flood damage this year is expected to be in excess of \$2 million. The damage in 1963 was \$1,700,000. In addition to the property damage, each time the river reaches flood stage, the water flows freely through the streets of Sevierville and through the highways, roads, and farmlands, forcing the inhabitants to vacate their premises and creating grave danger to life and limb. This year's flood was said to be the worst since 1896.

As you can see, the need for a flood control project to harness and control these waters is obvious. I, therefore, strongly urge your committee to act as expeditiously as possible in reporting favorably to the Senate this appropriation measure in order to implement this flood control project as quickly as possible and divert such disasters as occurred last week.

With best regards, I am,

Sincerely yours,

ROSS BASS,
U.S. Senator.

Mr. WAGNER. There is also a flood control project at Coeburn, Va., which is similar to the Sevierville project. The appropriation request for 1966 includes \$390,000 for this project which will cost a total of \$1.1 million.

BEAR CREEK WATER CONTROL PROJECT

The appropriation request also includes \$250,000 to continue design of a system of water control structures on Bear Creek, in Alabama and Mississippi.

Senator HILL. You have had funds for Bear Creek this past fiscal year?

Mr. WAGNER. Yes, sir; in fiscal 1965, the past fiscal year, we had about \$200,000 for design work, and \$250,000 is included in this request to continue design.

This water control system is one aspect of a total economic development program in that area, part of the tributary area development program that we have described for you before. It is a program in which we work with local people, in resource development. There is a very active group in Bear Creek, with about 3,400 members, which is 10 percent of the population of the area. It has the largest membership of any local group with which we work in our tributary area development program. This is an area where median family income is only about half the national average. It is on the edge of the Appalachian region. It is an area of limited resources with very little good agricultural land.

Water is one of its resources, yet recently there has been a water shortage for municipal and industrial uses. On the other hand, the better agricultural lands are bottom lands which flood frequently, and so their productivity is limited. A water control system is needed to overcome both these problems.

The water control project will also have an important recreation potential. It will consist of four multipurpose dams and about 80 miles of channel improvement, at a total cost of about \$24 million. Again, in accordance with our tributary area development principle, there will be local participation in cost, in planning, and in use.

CHEMICAL FACILITIES AT MUSCLE SHOALS

There is also in this budget \$5,774,000 to continue modernization of the chemical facilities at Muscle Shoals, Ala.

You will recall that many of these facilities were built during World War I; some of them subsequently, but these are also outdated. I believe you are familiar with the modernization program that started about fiscal year 1961.

Senator HILL. You are just carrying on the program then adopted. You adopted the program at that time.

Mr. WAGNER. That is right. This is a continuation of that work. There are also some smaller items.

GUNTERSVILLE LOCK

The \$802,000 is for cleanup of construction on the Guntersville second lock. This has been opened to traffic within the last few weeks, but there is some cleanup work still to be done.

BEECH RIVER AREA DEVELOPMENT

There is another item of \$289,000 for completion of the Beech River water control project.

Senator HILL. What does that consist of?

Mr. WAGNER. That development consists of eight small dams, and about 70 miles of channel improvements. The dams are multipurpose, providing flood control, water supply, a recreation resource, and water for irrigation. This, like the proposed Bear Creek project is a part of the tributary area development program. Intensified resource development work has been underway for about 15 years in the Beech River area.

Senator HILL. You have been working there for 15 years?

Mr. WAGNER. That is right. And the local organization in Beech River is working closely with TVA to be sure that all of the benefits of this water control project are realized.

GENERAL FACILITIES

The appropriation request also includes an amount of approximately \$3 million for general facilities. This includes funds to buy automobiles and other equipment and facilities needed in our operations.

There are two items included here that I would call particularly to your attention. One is an item of \$328,000 for the design of a new medical and general service center at Muscle Shoals, Ala. It will replace some buildings constructed for use as officers' barracks for World War I and now in pretty bad shape, and a medical facility which serves a large number of TVA activities including the large chemical operation which TVA conducts at Muscle Shoals.

MEDICAL SERVICE CENTER

Senator HILL. Well, let me ask you this: In providing this medical service center, are you not doing that which is the rule with industry throughout the country?

Mr. WAGNER. That is correct, Senator. We have 2,700 employees in the Muscle Shoals area, and a substantial part of them are in the chemical plant. The kinds of medical services that are normally provided for industrial operations are available to TVA employees there. This money would provide for the design of a new facility replacing facilities which are inadequate and outmoded.

Senator HILL. The existing medical center is old wartime construction?

Mr. WAGNER. Yes, sir. Some of it is World War I construction. Some of it is more recent than that, but it was temporary construction, and is no longer adequate.

OFFICE BUILDING AT CHATTANOOGA, TENN.

There is also an item of \$670,000 to continue design of an office building at Chattanooga. This would be built on TVA land adjacent to the Chickamauga Dam.

We now have employees scattered in 18 buildings, in Chattanooga, and this is inefficient.

Senator HILL. This building is planned just to take care of those employees there now?

Mr. WAGNER. Yes, sir; this building is to take care of employees now in Chattanooga.

TELICO DAM PROJECT

Another large item in the budget presented by the President to the Congress is \$5,775,000 for initiating the construction of the Tellico project. This is a project which will have a total cost of \$42½ million. It is scheduled to be completed in 1968.

I think you, Senator Hill, are familiar with this project. You will recall that an appropriation was made for it in 1942, for beginning construction in fiscal year 1943. It was then called the Fort Loudoun extension. The War Production Board, in view of critical shortages in manpower and material at the time did not give priority for purchase of critical materials, and we postponed its construction and concentrated on other projects which would provide power more quickly and were therefore more urgently needed for the war effort.

Senator HILL. In other words, after we got into the war everything had to be geared to the winning of the war?

Mr. WAGNER. That is correct. And while this is a good project, with a power potential, there were others where power could be realized more immediately, and on those TVA concentrated its efforts.

I have on the easel here a map which shows in red the location of this reservoir.

This dam would be built at the mouth of the Little Tennessee River, which rises in the Smoky Mountains and flows northwesterly. This is the third largest tributary of the Tennessee from the standpoint of volume of flow. In its drainage is the highest rainfall in the United States, with the exception of the Pacific Northwest.

BENEFIT-TO-COST RATIO

Senator ELLENDER. What is the benefit-to-cost ratio?

Mr. WAGNER. 1.4 to 1, Senator.

Senator ELLENDER. Is that strictly for power development?

Mr. WAGNER. No, this is a multipurpose project but power is an important feature. When Fontana Dam was built during World War II, it provided a reservoir upstream on the Little Tennessee, with over a million acre-feet of storage. It was contemplated that the water released from storage at Fontana would be used over and over again as it moved downstream on the Little Tennessee River. Its power is now recaptured at a number of dams of the Aluminum Co., which has built a total of 17 dams on the Little Tennessee River system. Three of the largest of these are downstream from Fontana.

Senator ELLENDER. They are not all power producing, are they?

Mr. WAGNER. Yes, they are all power producing.

Senator ELLENDER. You mean there are facilities there to generate, or is it used in order to preserve water?

Mr. WAGNER. In some instances more than one dam may serve a single powerhouse. Seventeen of the dams in the Little Tennessee drainage basin were built by the Aluminum Co. of America—the 18th, Fontana Dam, was built by TVA. As I said, Fontana is a large storage dam. The Santeetlah Dam built by the Aluminum Co. also has considerable storage. The storage of these two dams would be utilized downstream at the Tellico project.

POWER GENERATION

Senator ELLENDER. How much power will you develop there?

Mr. WAGNER. The power generation will be about 200 million kilowatt-hours a year.

Senator ELLENDER. I didn't want it figured per year. What is the capacity?

Mr. WAGNER. Tellico will add no power capacity to the TVA system because there will be no powerhouse installed. If I may have another chart, I can explain that to you, Senator.

Senator ELLENDER. Is it to firm up the power?

Mr. WAGNER. This will add to the total energy produced by the system. I don't know if I am enough of a technician to answer your question.

Senator ELLENDER. You will have no powerplant constructed at this dam?

Mr. WAGNER. That is correct. And this carries out our earlier planning.

Senator ELLENDER. The same situation as in the Northwest.

Let me ask you this: You say the benefit-to-cost ratio is 1.4?

Mr. WAGNER. Yes, sir.

COST OF THE PROJECT

Senator ELLENDER. How much of that is chargeable to flood control? Of the \$42.5 million cost?

Mr. WAGNER. I beg your pardon?

Senator ELLENDER. What is the cost?

Mr. WAGNER. \$42.5 million.

Senator ELLENDER. How much of that is charged to flood control?

Mr. WAGNER. The flood control benefit, Senator, is \$10.4 million.

Senator ELLENDER. Who pays for that?

Mr. WAGNER. This would be paid for by appropriations.

Senator ELLENDER. I know. But from the Federal Government.

Mr. WAGNER. Yes, sir.

Senator ELLENDER. Why don't you pay it out of your own funds?

Mr. WAGNER. Well—

Senator ELLENDER. You see, you are getting into a lot of projects now, as you are now seeking to do. You have your own method now of raising your own money. As I pointed out 2 years ago, you are now acquiring land to build a big park and all of that stuff. We will get to that, I presume, in the course of this discussion.

ALLOCATION OF FUNDS FOR POWER, NAVIGATION, AND FLOOD CONTROL

Well, how much do you really charge for power that would be paid back by power revenues?

Mr. WAGNER. The power benefit of this project will be in the neighborhood of \$8 million. The project costs have not yet been allocated, of course.

Senator ELLENDER. And what is the rest of it—to what is the rest of it charged?

Mr. WAGNER. Part of it will be charged to navigation and flood control, and in our evaluation of benefits we have also included general economic benefit to the area.

PAYMENT BY FEDERAL GOVERNMENT

Senator ELLENDER. In other words, all the Tennessee Valley Authority is going to pay of this project will be \$8 million, and the rest Uncle Sam will pay, am I right?

Mr. WAGNER. Not quite right, Senator.

Senator ELLENDER. Tell me the facts, then.

Mr. WAGNER. The proposal is that this project would be financed entirely by appropriations. We are not building any direct facilities for power. There will be no powerhouse. A part of the cost of the project will be allocated to power, however, and we would—

Senator ELLENDER. But paid by the Federal Government?

Mr. WAGNER. The initial cost, yes. But we would pay to the Federal Treasury, under the terms of our 1959 amendment, a return on that investment, as we are now doing on the present investment of appropriated funds in the power system.

If I may, I would like to—

Senator ELLENDER. You mean \$8 million? The rest of it Uncle Sam will pay, and the taxpayers of the country will, of course, contribute to it.

Mr. WAGNER. Senator, you realize that the amendment to the TVA Act of 1959, which authorized TVA to issue revenue bonds, authorized us to use power proceeds and borrowings only for power facilities. We are not authorized to use them for flood control and navigation.

Senator ELLENDER. We ought to amend the act, so you can do that.

Mr. WAGNER. Well, this is the way—

Senator ELLENDER. I say that is what we ought to do, and that is what I am going to suggest to the committee before we spend any more Federal funds in Tennessee Valley.

Mr. SMITH. Senator, these expenditures for flood control and navigation are similar to expenditures made for those purposes in all 50 States.

STEAM GENERATION OF POWER

Senator ELLENDER. You cover just a small area of the United States. You have a bonanza there.

I am for the TVA. Don't misunderstand me. And the time that I started to object to the expenditure of more Federal funds is when you went into the business of getting Federal funds to firm your power, that is from falling water, beyond what I thought was right.

Today I presume that—let's see, as I remember the figures—about 73 or 74 percent of the electricity that is developed and sold in the TVA is generated from steam.

Am I right or wrong?

Mr. WAGNER. That is right.

Senator ELLENDER. So the Government, our Government, is paying—has paid for that.

Mr. WAGNER. The facilities now being built for steam generation are financed either from revenues of the system or from bonds. The

appropriation investment in earlier power facilities is being repaid and with a dividend which in this coming year will be 3.8 percent of the appropriation investment, I believe.

Senator ELLENDER. You mean that is interest. Don't say dividend. That is interest on investment.

Mr. WAGNER. Well, we call it a dividend, Senator, because the Federal Government is the owner. This is not a loan from the Federal Government. The Federal Government owns the property so we believe our return is in the nature of a dividend.

FLOOD CONTROL AREA COVERED BY DAM

Senator ELLENDER. Well, what territory, what part of the country, how many States are covered by this dam you are going to now construct?

Mr. WAGNER. The dam will provide flood control downstream on the Tennessee River, and on the lower Ohio and Mississippi Rivers.

Senator ELLENDER. In the State of Tennessee, though, is where it is located primarily?

Mr. WAGNER. The dam is located in the State of Tennessee.

Senator ELLENDER. Why did you resurrect this project, since it was more or less dormant since 1942?

Mr. WAGNER. An appropriation was made for it in 1942.

Senator ELLENDER. Why didn't you do it before, if it is so important?

Mr. WAGNER. It was dropped during the war years, for reasons which I have mentioned. Following the war, we had some projects already started on which work had been suspended. They were completed. Then we operated through most of the 1950's under a policy of "no new starts," and only one new river control project was started. During that period, this project was under reexamination and we now have presented it.

Mr. SMITH. This is only the second major multipurpose project that has been proposed to the Congress by TVA since 1950.

ISSUANCE OF BONDS FOR PAYMENT OF COSTS

Senator ELLENDER. I know. But I thought that when the Tennessee Valley Authority was given the right to issue bonds that any project constructed would be paid for out of those bonds.

Mr. SMITH. Not more than the power part of it, sir.

Senator ELLENDER. But you say it won't. Because forsooth, you are not going to build a facility there, and although it is going to be used to firm the power in other projects that are constructed there, Uncle Sam is going to pay the whole amount.

Mr. SMITH. TVA will pay a return to the Treasury on the part that will be allocated to power. But the investment will benefit the Tennessee Valley in the same manner that various projects undertaken by the Bureau of Reclamation and the Corps of Engineers benefit all other regions. The people in the Tennessee Valley are entitled to the same type of consideration in appropriations.

Senator ELLENDER. They get it other ways, too. They get the same flood control under the public works bill.

Mr. SMITH. No flood control projects in the Tennessee Valley are authorized in the public works bill.

Senator ELLENDER. No, because you are a separate entity.

You are out by yourself over here. You ought to take care of yourself. That is why we establish it that way. But notwithstanding that fact, you are coming up here again with hat in hand, and asking Uncle Same for further help—just like, as I said—when we get to these parks, you are just extending yourselves, making yourselves bigger, at Government cost, Federal Government cost.

Mr. WAGNER. Well, Mr. Chairman, we are confining ourselves to the Tennessee Valley area.

Senator ELLENDER. That is why you ought to take Tennessee Valley funds to do it. You authorize and issue bonds out of your sales to do these works. As I said, it seems to me that anything connected with power there, particularly in view of the fact that the Federal Government has put up millions of dollars to construct steamplants out there, and you are getting the benefit of it—it strikes me that those funds ought to be used out of your own, and you should not come back to the Federal Government with hat in hand.

I am getting a little tired of it.

RETURN PAID TO TREASURY

Senator HILL. Now, Mr. Wagner, so this is clear—do I understand that on that part of the cost of the dam which you ascribe to power, you will pay a return to the Federal Treasury?

Mr. WAGNER. A return on it will be paid, Senator; yes, sir.

Senator ELLENDER. \$8 million out of \$42.5 million; whatever the ultimate allocation to power may be.

Mr. WAGNER. The \$8 million figure is the value of the power benefits. The amount of cost allocated to power will naturally be somewhat less. The cost of the other benefits will be borne by the Federal Government just as they are in any other part of the Nation. This dam will be built by TVA, and we are asking for appropriations, just as the Corps of Engineers or the Bureau of Reclamation would be if this were a project in some other part of the Nation.

UNUSUAL FEATURES

I would be glad to proceed with the description of the project. It has some very remarkable features, Senator, and we are most enthusiastic about it. I would like to tell you about it.

Senator HILL. Go ahead, sir.

Mr. WAGNER. From the standpoint of flood control, this project adds 126,000 acre-feet of flood storage, and this is a significant addition to our flood control system. It is, for example, 15 percent more than Fort Loudoun provides. Of course it will not provide flood control in the drainage basin of the Little Tennessee River, since the dam is located at its mouth, but it will add to system flood control benefits by protecting vulnerable points downstream on the Tennessee River, and it would add its value to flood control on the lower Ohio and lower

Mississippi. In a major flood, it could prevent as much as \$5 million worth of damages at Chattanooga.

CANAL CONNECTION WITH FORT LOUDOUN RESERVOIR

There is another feature about this reservoir which is unusual, and which I want to point out from this chart.

The dam would be built across the mouth of the Little Tennessee River at this point and its reservoir would be connected by an open canal to the Fort Loudoun Reservoir. Thus, if there should be a flood in the drainage basin of the Little Tennessee River, but not on the Tennessee River, the floodwaters from the Little Tennessee could be stored in the Fort Loudoun Reservoir, and the reverse would be true, of course, if there should be a flood on the Tennessee River but not on the Little Tennessee.

Senator ELLENDER. Is that a dam—I mean a reservoir that you point to there?

Mr. WAGNER. This would be the Tellico Reservoir; yes, sir. And the dark lines underneath indicate the present course of the river. You can see that it now flows into the main Tennessee River at this point, which is downstream from Fort Loudoun Dam.

This is the existing Fort Loudoun Reservoir.

At the time Fort Loudoun Dam was built, sufficient generating capacity was installed to handle the flow of the Little Tennessee River since it was contemplated that the Tellico project would be built. That part of the canal that will connect them which is on the Fort Loudoun side was excavated "in the dry," before Fort Loudoun Reservoir was filled.

As I mentioned earlier, it was contemplated that the Fontana storage would be used through the Fort Loudoun Dam. This illustrates the length of time in which this project has been in our planning.

POLLUTION FROM FORT LOUDOUN RESERVOIR

This connecting canal has given rise to some misunderstanding. The question has been raised as to whether there would be pollution of the Tellico Reservoir by water from Fort Loudoun Reservoir.

Let me state unequivocally that there would be none. The basic reason for this is that the water quality is the same at this point in the Fort Loudoun Reservoir as at this point in the Little Tennessee, or would be at this point in the Tellico Reservoir. So that any interchange of water would be interchange of water of equivalent quality.

It is understandable that there is some misunderstanding on this point because it is true that in the upper reaches of Fort Loudoun Reservoir, 40 or 50 miles above this dam, there is pollution from sewage, not now adequately treated, that is discharged to the river by the city of Knoxville. Within 2 years, however, plans now underway in Knoxville will have corrected that condition. This provides double insurance. We have triple insurance in the fact that the normal flow of water will be out of the Tellico Reservoir into Fort Loudoun Reservoir. The water of the Little Tennessee will flow through the Fort Loudoun powerhouse.

DEFINITION OF FIRING OF POWER

Senator ELLENDER. Is your main purpose there to retain the water in this new reservoir you are going to construct in order to more or less firm the power in at Fort Loudoun?

Mr. WAGNER. Yes, sir.

Senator ELLENDER. You shook your head no.

Mr. JONES. Senator, I would not call it firming the power, necessarily.

Senator ELLENDER. Why not?

Mr. JONES. The generators in the Loudoun Dam are not used to their full capacity.

Senator ELLENDER. Why is that?

Mr. JONES. Because there is not enough water available. This is not a matter of firming. I don't agree with you on that term. The firming of the power comes from the steam capacity that we have available. This is not being proposed to provide additional firm power.

Senator ELLENDER. No. But if you have more water in Loudoun, it will produce more electricity.

Mr. JONES. That is right.

Senator ELLENDER. I am not an engineer—but what you are doing, you are firming the power in Fort Loudoun, because if you didn't have that, you could not produce as much power in Fort Loudoun.

Mr. WAGNER. I think, Senator, the definition of firm power is a technical one. But I think you and I would agree that in the sense you are using the term this is firming.

Senator ELLENDER. It is certainly going to produce more power. Otherwise, Fort Loudoun would not produce what it now is capable of doing.

Mr. WAGNER. That is right. To put it in other terms, there now is some 70 feet of head, some of the value of which is lost because there is not sufficient water and it will be captured by this project.

Senator ELLENDER. Exactly. If that is not firming, I don't know what it is. I have experienced in the Northwest, where we are in the process of building three dams to carry the water of certain areas, and on those—at these three sites, we are not constructing any power facilities, except that the water will—is held back, so as to firm the power down the river. You can firm power both by steam and water—from the information of my good friend here.

Mr. JONES. I still do not agree with you, Senator.

Senator ELLENDER. What is that?

Mr. JONES. I still do not agree with you, Senator.

Senator ELLENDER. That is your privilege.

Mr. JONES. It doesn't increase the capacity.

Senator ELLENDER. Are you an engineer?

Mr. JONES. No, sir.

Senator ELLENDER. How long have you been with TVA?

Mr. JONES. Eight years, sir.

Senator ELLENDER. Well, if you read the record on the Northwest, you will find that that is one way of firming power—by the use of water. You can do it both ways—water and steam.

NAVIGATION VALUE

Mr. WAGNER. Another important feature of this project is its navigation value. It will add 30 miles to the 9 foot channel of the inland waterway system, without building a lock.

If I may refer to the map, again, you can see that traffic coming up the Tennessee River would use the existing Fort Loudoun lock, and then move through this open canal, which will be 500 feet wide and 850 feet long.

The lock is already here.

Senator ELLENDER. Well, navigation to what area?

Mr. WAGNER. To provide navigation to an important potential industrial area.

Senator ELLENDER. Potential?

Mr. WAGNER. That is right. There are no large towns on the Little Tennessee now. The navigation tie is with the whole inland waterway system, with the gulf, with the upper Mississippi, and navigation is growing on the Tennessee River, as it is elsewhere. Last year we had a new river traffic record, 15.3 million tons, and 74 percent of this traffic was interregional—exchanged with the lower Mississippi, with the upper Mississippi, and with the Ohio. Ninety-five percent of the transportation savings that were generated were on this interregional traffic.

Senator ELLENDER. How much of the cost of this do you attribute to navigation?

Mr. WAGNER. The estimated benefit to navigation is \$11.4 million, Senator.

Senator ELLENDER. Now, flood control—let's put it all together. You said flood control was what?

Mr. WAGNER. Flood control benefits are \$10.4 million. Power is \$8 million. Navigation is \$11.4 million. And general economic development is estimated at \$15 million.

Senator ELLENDER. That aggregates the \$42 million.

Mr. WAGNER. That aggregates \$44.8 million.

ECONOMIC IMPACT

Senator ELLENDER. What is included in this \$15 million?

Mr. WAGNER. This \$15 million, Senator, is an estimate which we have made of the value, and we believe it is a very conservative one, of the economic impact of this project. Let me give you some examples.

Senator ELLENDER. Do you follow the same formula as the Corps of Engineers?

Mr. WAGNER. This was a somewhat different formula. But if we did follow the same formula, we would have an even higher benefit to cost ratio.

Senator ELLENDER. You mean considering general benefits that may accrue in the future?

Mr. WAGNER. Flood control benefits that may accrue in the future, too.

Senator ELLENDER. I am talking about general benefits. You have your flood control. You have it at 11.4. That is all right. But this \$15 million—

BENEFIT-TO-COST RATIO COMPARISONS

Mr. SMITH. If we used the corps system on that evaluation, we would have had something over \$40 million, as I recall.

Mr. WAGNER. Senator Ellender, if we used what you have referred to as the corps system, we would have the same benefits for navigation, flood control, and power, but we would have total benefits of \$85½ million, which would give us a benefit-cost ratio of about 1.9 to 1.

Now,—

Senator ELLENDER. Why didn't you do that? You might make it more attractive to this committee.

Mr. WAGNER. Well, you have the figures now—if you prefer those.

Senator ELLENDER. Well, I am going to ask the Engineers to look into that before we pass on it, if I have the opportunity.

Mr. WAGNER. Very good.

Senator ELLENDER. Because, as I recall, we cannot look into the future as to what might happen in order to raise the benefit-to-cost ratio.

Mr. WAGNER. Let me develop that a minute, if I may. We think we have used a very sound basis for estimating, and we think we have been extremely conservative.

ECONOMIC POTENTIAL OF AREA

To understand the potential of this project for general economic development of the area—whether you evaluate it by the method that we did, or use the alternate evaluation, such as the corps uses—to understand its importance, you need to examine the needs of that region.

Senator ELLENDER. When you say that region—

Mr. WAGNER. I am talking now about the three counties which would be immediately affected by the reservoir—Loudon, Blount, and Monroe.

Senator ELLENDER. Three counties in Tennessee?

Mr. WAGNER. Yes, sir. These counties are in a transition period, as are some other sections of the country from an agricultural economy to an industrialized and urbanized one, and the transition is a difficult one.

The facts that I want to present here indicate only a lack of opportunity—they do not indicate any lack in initiative, energy, or ability on the part of the people in the area.

The area has been basically agricultural, but in the 1950 to 1962 period, agricultural net income remained virtually steady, according to a study by the University of Tennessee, at \$7.4 million in these three counties. At the same time, employment in agriculture dropped just about half in that period.

OUTMIGRATION AND UNEMPLOYMENT

This means that those people who are still in agriculture are earning a better income, but it also indicates more people have been added to the nonfarm labor force. And in the 1950 to 1960 decade,

15,600 people moved from those three counties, which have a population of about 106,000.

There was actually a small increase in population between 1950 and 1960—about 2,200. But the excess of births over deaths would have given them an increase of 17,800 if there had been no outmigration. So 15,600 people moved out because they could not find jobs. And this movement was heaviest in the 20-to-40 age group, the most productive years. There was a 15 percent net loss in population in this age group.

Even in spite of this outmigration, unemployment in the area, people without jobs, increased 60 percent in the 1950 to 1960 decade.

I recognize that there has been some opposition to this project but I believe that most of it is based on misinformation. And if I may, I would like to say there is overwhelming support for this project, too.

OPPOSITION TO PROJECT IN MINORITY

Before we proceeded very far with it, we discussed it in the area, and I have in my files signatures on petitions and letters from 4,000 people who supported it against about 600 who opposed it. Although the opposition has been extremely vocal, well financed and well organized, we firmly believe that it represent a very small minority.

There has been recent concern among those in favor of the Tellico project in the area, following its removal from the budget in the House, and I understand that a number of people will be here to express that concern. I saw just recently in the papers that the county courts in two of the three counties directly affected have taken action to endorse the project, because they were concerned about it.

Senator HILL. Endorsed the project?

Mr. WAGNER. Yes, sir.

BASIS OF OPPOSITION

Senator ELLENDER. What is the basis of the opposition?

Mr. WAGNER. The opposition has had several forms, Senator. Some of the opposition has been from trout fishermen, and people interested in trout fishing. The river in the upper reaches of the reservoir, because of the cold water released from Fontana upstream, is now cold, and it will support trout if they are stocked.

Senator HILL. Would do what?

Mr. WAGNER. Will support trout, if they are put in the river. Last year the Tennessee Fish and Game Commission put a half million trout in the river. Trout fishing is largely confined to the first few miles below Chilhowee Dam. And after Tellico is built, our fish technicians assure us there will still be good trout fishing for perhaps 3 or 4 miles below that dam.

In addition to that, there will be a whole vast new area of bass and crappie and sauger fishing and the use of the area by the average fisherman will be much greater than it is now. The trout fishermen are a very small percentage of the total number of fishermen.

Senator ELLENDER. Do they fish for commercial reasons, or just for pleasure?

Mr. WAGNER. They fish just for pleasure, as most of our sports fishermen do; yes, sir.

SUPPORT FOR PROJECT

I saw an article in yesterday's paper saying that a former commissioner of conservation in the State of Tennessee has endorsed the Tellico project wholeheartedly. He had served with the Forest Service right in this area for many years, and he knows it very well.

The Governor of Tennessee has endorsed the project. The present conservation commissioner has endorsed it. The Knoxville City Council has endorsed it, and the mayor of the city. Some of these people, I think, will speak to you.

But I interrupted my story, Mr. Chairman, to indicate that there is substantial support in addition to the opposition.

INDUSTRIAL NEEDS

Senator ELLENDER. What natural resources are available to attract business?

Mr. WAGNER. The business would be attracted by the water supply for one thing.

Senator ELLENDER. You have a lot of it available just a mile away.

Mr. WAGNER. That is right. But the sites for the kinds of industries that are needed are not available nearby, Senator. And this is one of the unique attractions of this project.

Mr. SMITH. The potential industrial development is one of the reasons for the opposition, Senator. Some of the existing industries are fearful of other industries coming in.

Senator ELLENDER. As I recall, that was the opposition to the purchase of more land, this island you were going to form there—land of green lakes. The opposition there was that here we have a lot of fine land, that farmers now own, could be used to do the very thing you are now advocating, develop industry there.

Mr. WAGNER. Let me explain the differences, if I may.

Senator ELLENDER. There is a difference according to those who oppose this.

HEAVY WATERFRONT INDUSTRY FEATURES

Mr. WAGNER. Heavy industry, waterfront industry, requires a number of very specific features for its development. First of all, it requires water transportation. Second, it requires good rail transportation. Third, it requires good highway transportation. Fourth, it normally requires a good supply of water. Fifth, it requires large areas of relatively level land, free of rocks, so that construction will not be unduly expensive, and that land needs to be in large enough ownerships so that it can be acquired.

Senator ELLENDER. What about the resources now for that? What kind of business do you expect to come there?

Mr. WAGNER. One of the kinds of business we would expect to come here is basic metals, basic—

Senator ELLENDER. Where would they get their raw material?

Mr. WAGNER. Where is some iron ore in the area. Some of it would be from scrap metals. There would probably not be an aluminum industry, because there already is one in the area. There would likely be chemical industries, some based on cellulosic fibers, using the wood in the area. The kind of industry that develops at a given spot

depends on the resources available, on its markets, and on labor and other factors.

Senator ELLENDER. Have you enough wood in the area there to develop a cellulose industry?

Mr. WAGNER. Yes, sir.

Senator ELLENDER. Have you any offers from anybody to come and locate there?

Mr. WAGNER. No. The project has not been built yet.

Senator ELLENDER. I understand that. But still you are saying they are going to come.

INDUSTRIAL GROWTH IN AREA

Mr. WAGNER. The Tennessee Valley area is growing industrially, at every place along the Tennessee River where this combination of features has existed, industry has grown.

There is now a billion dollars worth of waterfront industry in 193 plants at sites having the characteristics which I have described. Tellico will provide sites with these qualities and it will provide them a large single location.

I have some photographs that illustrate this, if you would like to see them.

This, for instance, is a photograph of Decatur, Ala. I am sorry these are not large enough to put on the easel, you can see there a large area of level land, and the industries which have come in and which are using water transportation.

Senator ELLENDER. What river is this?

Mr. WAGNER. That is the Tennessee River.

Senator ELLENDER. In Alabama?

Mr. WAGNER. Yes.

Here is Calvert City Ky., which is near the mouth of the Tennessee River. There again, you can see large areas of level land, and industries which provide the employment that this region needs so badly.

The next two pictures I would like to show you as a pair. This is Guntersville, Ala., before the reservoir was filled. The second picture shows it just a year or two ago. Those knobs that you see will identify the same area, in both pictures, and you can see that this was a rather bleak landscape, without the reservoir. It since has developed into quite an industrial area.

Here is another pair of pictures from Calhoun, Tenn., on the Hiwassee River, just 50 miles or so from the location of the Tellico Reservoir. The first shows the area shortly after Chicamauga Reservoir was built. The river there has a navigation channel with 9 feet of depth, and you can see how level the land is. The second picture shows the Bowaters Paper Co. which located at this same spot in 1952, some 10 years or so after Chickamauga was filled, using that site, and occupying 1,800 acres of land.

Industries of this kind require large sites.

INDUSTRIAL ACREAGE PLANNED

Now, to come to Tellico's specific contribution in this field—there is a point on the reservoir, about halfway up, where a major rail line and a major highway cross the river, and where there would be about 5,000 acres of land that would be suitable for waterfront industry.

There is in addition to that, adjacent to the 5,000 acres, perhaps another 9,000 or 10,000 acres, also suitable for industry, but not for industry which needs a waterfront location. This area would accommodate industries related to or serving those located on the waterfront.

A substantial part of this 5,000 acres would need to be acquired in any event, to meet the requirements of navigation, flood control, and power operations, and to avoid uneconomical severance of tracts. If you flood half a farm, you need to take it all. TVA proposes to acquire the entire 5,000 acres, so as to insure that it will be available for industrial purposes, that it will not be fragmented for other uses, and therefore unavailable when industry comes seeking sites for location.

We have already discussed the need for planning with local planning organizations, and they have requested help from the Tennessee State Planning Agency to develop plans for the shoreline use. In acquiring this reservoir, we would also expect to keep in mind the importance of the land acquisition pattern to the orderly development of the shoreline for recreation and other purposes.

In all reservoirs we need to buy above the actual area flooded, for reasons with which I believe you are familiar—the question of severance, and so on. The amount of land bought above that actually flooded in Tellico Reservoir, in relation to that flooded, will be generally comparable with other reservoirs which TVA has built, but with this distinction. We will plan better for the future, and those plans will receive more specific attention in land acquisition, and in developing the plans for land use locally. We are simply using and profiting from the experience we have gained.

OFFSET TO PROJECT COST FROM LAND SALES

Also, as this land is sold—and we have, as you know, sold land along all of our reservoirs—we will earmark the money from land sales for specific return to the Treasury as an offset against the cost of the project. This is estimated to amount to something over \$10 million. So that the net cost of the project will be not \$421½ million, but about \$32 million.

Senator ELLENDER. Is that land that you now own?

Mr. WAGNER. That is land that we would acquire in connection with this project, Senator.

Senator ELLENDER. And you sell it back? At a profit?

Mr. WAGNER. We would sell it for new purposes.

Senator ELLENDER. At a profit?

Mr. WAGNER. It would normally bring more money.

Senator ELLENDER. Where do you obtain the funds to purchase?

Mr. WAGNER. They would be part of the appropriations for this project.

Senator ELLENDER. And you expect to pay that back from the sale of land you are going to dispose of to build industry there?

Mr. WAGNER. To build industry, or for homesites, or recreation facilities or any other use.

COOPERATION OF PRIVATE ENTERPRISE

Senator ELLENDER. Why don't you let private enterprise do some of that, instead of you getting into business?

Mr. WAGNER. Private enterprise will do some of these things, Senator.

Senator ELLENDER. It is very seldom that land is purchased from Federal funds, and resold for profit, and the profit goes to the Government.

INDUSTRIAL SITE AVAILABILITY

Mr. WAGNER. Senator, in connection with projects already built, we have bought a total of something like a million acres of land. Of that amount we have either sold or transferred to State and local agencies about 400,000 acres. As a result of those sales, we have found many times—as there are gentlemen in this room who have found—that when an industry came to their community and said, “We need a location,” the land had already been subdivided and was not available, or else it was available at exorbitant and wasteful prices, because houses had to be destroyed and moved out if the land was to be used for industry. The proposal here is to look ahead, recognizing that sites having the qualities needed by industry are scarce and should be preserved. A recreation development or a subdivision for homesites comes quickly after a reservoir is built. An industry may come quickly. At Decatur, Ala.—a 6-foot navigation channel became available in 1938, and in that same year a barge movement of petroleum from the gulf coast started into Decatur. But it is more likely not to come immediately. As I indicated earlier, the Bowaters plant on the Hiwassee River did not come until some 10 years after Chickamauga Reservoir was filled. Industry doesn’t come every day and when it does come it needs a site. If the site has been occupied by someone else, it may not be available.

People have said, “You have thousands of miles of shoreland, and much of it in this area, why don’t you develop that first?” And to the average person this is a reasonable question. But when you begin, as chambers of commerce, and others do, to examine with industries their requirements for waterfront location, you find there is relatively little land that is suitable for their use. In the eastern part of the valley suitable land is particularly scarce because of the mountain foothills. On Watts Bar, Melton Hill, and Fort Loudoun Reservoirs combined—TVA has only about 1,500 acres of land suitable for waterfront industry, and it is scattered among 14 different locations. Obviously, these are small tracts, and no one of them could accommodate a plant like Bowaters, for example, which occupies 1,800 acres. So it is extremely important to save the few large sites that are available, if they are to provide employment for the people growing up in this area.

Senator ELLENDER. How much land do you contemplate purchasing?

USE OF ACQUIRED ACREAGE

Mr. WAGNER. Between 35,000 and 40,000 acres.

Senator ELLENDER. How much of that would be inundated?

Mr. WAGNER. About 18,200 acres would be inundated at elevation 817.5.

Senator ELLENDER. 18,000?

Mr. WAGNER. 18,200.

Senator ELLENDER. And the rest would be for what?

Mr. WAGNER. Some of it needed to protect the dam and the reservoir shoreline. Some of it would be needed for navigation or for flood control. Some of it would be sold, Senator.

Senator ELLENDER. How much of it would not be needed insofar as the reservoir is concerned?

Mr. WAGNER. It is all needed for the project. I don't know that I can provide a figure, other than the figures I have given you. The amount to be purchased is about twice the amount that would be actually flooded. This is about the same ratio as in other reservoirs we have bought. Following the shaking down of these other reservoirs, we have sold or transferred about 40 percent of the land. The pattern here is different from previous projects only in the fact that we would do a more precise job of planning the acquisition in relation to shoreline use.

NEED FOR EMPLOYMENT OPPORTUNITIES

Industrial developments are badly needed to provide employment opportunities in the area. I would like to read you just a part of a letter that I received some time ago from Mr. J. Guy Buckner, who is superintendent of the Lenoir City schools. This is a city in Loudon County, near the site of Tellico Dam.

He has been superintendent there since 1943, and he says:

It has been my privilege to know the needs, the heartaches, and the ambitions of most of these young people. A large percentage of this year's 152 graduates of Lenoir City High School will attend colleges, universities, and technical schools. A great many of these will want to return to Lenoir City to live, but because of a lack of business enterprises this will be impossible. This condition has existed during the 21 years that I have been here.

Efforts to attract new industries and to expand existing industries need to be made to provide jobs in the county for county residents. I am greatly interested in the Little Tennessee River project because of the possibility of industrial expansion needed to supply employment for these most outstanding young people.

DEVELOPMENT OF RESOURCE BASE

This in considerable measure, Senator, is what I think TVA is all about. It is to widen the area of economic choice, to widen the area of opportunity for the people in this region which 30 years ago was far behind the Nation, and which is still in a rather difficult transition period.

The basis for doing this, which TVA has employed, is to develop the resource base. This puts in the hands of the people resources which they can use to develop opportunities that are otherwise unavailable to them. That is what the Tellico project would do, in its power features, in its flood control features, in its navigation features, and its economic impact features.

COMMENTS ON OBJECTIONS

I would like, if I may, to comment on some of the objections that have been made.

People have said—"this is a beautiful river, why should you build a lake and destroy it?"

It has been our experience that lakes add to beauty, rather than detract from it. And this one would be particularly beautiful, located

as it would be in the foothills of the Great Smokies, adjacent to the Cherokee National Forest.

We think it has a great potential for recreation, and we believe that it would attract within a few years a couple of million person-day visits per year. It would be very attractive for boating and for fishing.

Fishermen in the area now, according to our best estimates, spend perhaps \$75,000 a year. Until the recent upsurge of interest in heavy stocking of the stream, it was a third of that amount. We believe they will expend a quarter to three-quarters of a million dollars a year after Tellico Dam is built.

UPSTREAM DAMS

Some who oppose construction of Tellico describe the Little Tennessee as a freeflowing natural stream. As I indicated earlier, on the Little Tennessee River system there are 18 dams upstream from the site of Tellico now. Its flow is not free and natural. It is entirely dependent on the regulation of the dams upstream. Many of its desirable characteristics are imparted by those dams.

Senator ELLENDER. Why were those dams constructed?

Flood control?

Mr. WAGNER. Fontana, the TVA dam is a multiple-purpose dam.

Senator ELLENDER. I mean—

Mr. WAGNER. The other 17 were built for power production.

Senator ELLENDER. Power?

Mr. WAGNER. Power.

Senator ELLENDER. That gave flood protection, didn't it?

Mr. WAGNER. They provide some automatically, but they are not built nor operated for flood protection. The storage dams, as the winter rains are stored, give some protection automatically. But for power production, they are filled as soon as possible. And if another flood comes and the reservoir is full, no flood storage is left. In Fontana that is not true. It is a multipurpose project.

Senator ELLENDER. What was the last year in which you had floods there to destroy property?

Mr. WAGNER. On the Little Tennessee River?

Senator ELLENDER. I mean the area you are talking about now, in which you are charging \$11 million for flood.

Mr. WAGNER. The Tennessee Valley. We had a flood this spring, but it was controlled. Without the TVA system of control it would have caused \$43 million worth of damage at Chattanooga, if I remember the figure correctly, but it did not.

Senator ELLENDER. How is it controlled—by these dams?

Mr. WAGNER. It was controlled by the entire system. It is possible to have a much larger flood in Chattanooga, which would do damage in spite of anything we could do, and the additional Tellico storage would be useful in that case.

FREE-FLOWING STREAMS

I was discussing the Little Tennessee as a free-flowing stream, Mr. Chairman.

I would like to be clear that this is not, as sometimes suggested, the last free-flowing stream in the area. Within a radius of 50 miles of the site of the Tellico Dam there are some 400 miles of free-flowing streams—not all as large as this, and not all with the same characteristics. But at least half of that mileage, a couple of hundred miles of streamflow, is satisfactory for floating downstream in a boat.

FORT LOUDOUN

Another attraction in this area, and strangely one which has aroused opposition to the project, is the historic Fort Loudoun. There was a fort built on the Little Tennessee River about 1756, I believe, by the English, with the sanction of the Cherokee Indians, as an outpost against the French and their Indian allies. It was destroyed a few years later, and only in recent years have efforts been made to build a replica on its site.

I am a member of the Fort Loudoun Association, which is interested in this restoration. I am a former director and treasurer of the association. I recite this because I think it gives me some understanding of the feelings about a site like this which I would not otherwise have.

I also have been active in Boy Scout Work, I was a Scoutmaster for over 20 years. I have camped in this area. I have explored the Little Tennessee Valley with Boy Scouts, beginning in the middle thirties. So I am not new to the area, nor indifferent to its attractions.

Recently one of those who objected to the Tellico project wrote a letter to me saying that he had seen in the papers that I had received a Scouting ward of some kind, and that he was surprised. He said he was interested in Scouting, too, and that is what had made him opposed the Tellico project. Now, how could I, he inquired, interested in Scouting, be in favor of it? I told him that my interest in this project is precisely the same interest that had concerned me in Scouting—interest in our young people, and in their future.

As far as Fort Loudoun itself is concerned, it will be protected. Let me show you some sketches.

This is a detail of the Tellico Reservoir. The existing Little Tennessee River flows through this area. The Tellico Reservoir would be the area colored blue.

The fort itself was built originally on the tip of this peninsula, and a replica of it has recently been constructed there by the Fort Loudoun Association. If the reservoir were filled without any attention to the fort, the lower one-half of it would be flooded. TVA is paying attention to the historical asset. We are working with the people in the Fort Loudoun Association, and have been discussing plans with them to build a protective dike around this part of it, which will protect it from flooding entirely. As you see, this area will lie on an island which is some 500 or 600 or 700 acres, and will be connected to the mainland by highways. This would make an excellent area for recreation and historical development. The visitors attracted to this area would see the fort in an attractive setting.

Senator ELLENDER. Who owns that island now?

Mr. WAGNER. The area which will be an island when the reservoir is filled is now in private ownership. We would buy it as a part of the reservoir.

Senator ELLENDER. You would what?

Mr. WAGNER. We would buy it as part of the reservoir for the Tellico project. We would hope that we could arrange to transfer this island to the State of Tennessee, or to the Fort Loudoun Association, if that were possible and preferable, for the development of an important recreation area.

CHEROKEE INDIAN VILLAGES

This next chart shows the area around the fort in a little more detail, with the dike here, and plantings, parking areas, and the fort itself here. Here is a cross section taken through the fort. The palisades would lie up on the hillside; the protective dike some 15 to 20 feet high, or less, would be out here at a distance from it. In the Tellico Reservoir area there are also a number of sites where there were once Cherokee Indian villages. I should make it very clear there are no Indian lands involved. These lands are now in private ownership. They are cornfields and pastures, and unless you were a student of the area, you would walk over the site of Tuskegee, or the site of Chota—villages which have been mentioned—without knowing it. We would arrange, as we have in the past, with the archeological department of the University of Tennessee, to excavate the area before the reservoir fills, and to recover whatever artifacts and remnants of history remain at these sites.

Senator ELLENDER. How much of that island would be inundated?

Mr. WAGNER. None of it, sir. The area that would be inundated is shown in blue.

Senator ELLENDER. Well, to the east of this, the blue there, that is part of the island, I presume.

Mr. WAGNER. That fort is not on an island now.

Senator ELLENDER. I am talking about the island on which the fort is located.

Mr. WAGNER. This is the island on which the fort will be located after the reservoir is filled.

Senator ELLENDER. How much of the island is now exposed in contrast to what would be exposed should the dam be constructed?

Mr. WAGNER. This entire area is exposed now. It is not now an island. It is now a part of the mainland. The river generally lies where my arm is, and this is all land now—with the exception of the Tellico River, a smaller stream, which flows through here.

Senator HILL. This blue on the right-hand side here, that is the reservoir which will result from construction of the Tellico Dam.

Mr. WAGNER. Yes, sir.

Senator HILL. Of course this river to the left is already there.

Mr. WAGNER. Yes. But it is not that wide. The Tellico River would be just about as wide as this lettering is if it were drawn to scale, flowing through here, and joining the Little Tennessee. Perhaps we should have dotted the present outlines of the river. I am sorry we did not do that.

But you understand that the Tellico River is a small river flowing through here, joining the Little Tennessee River at this point, and the Little Tennessee River is a narrow river flowing through here, moving up like that.

All of the other area now shown in blue is actually dry land.

ACQUISITION OF LAND BY VOLUNTARY SALES

Senator ELLENDER. And that land you would acquire, I presume, through eminent domain?

Mr. WAGNER. We would acquire it. Much of this land would be acquired by voluntary sale, but we have the authority to acquire it through eminent domain.

Senator ELLENDER. You do propose to acquire all of the island?

Mr. WAGNER. Yes.

Senator ELLENDER. The same as you do with the land between the lakes?

Mr. WAGNER. Yes, sir. This future island is a very much smaller area, about 500 acres.

Senator HILL. How many did you say?

Mr. WAGNER. About 500 acres, Senator.

COMPENSATION AND RELOCATION ASSURED

There is one other point that I would like to discuss briefly about this project.

Concern has been expressed over the fact that some 300 families would have to move from the reservoir area. This concern is understandable. I should say at the same time that the best information we have is that a majority of the property owners whose land would be acquired are in favor of the project. Nevertheless, it is regrettable any time when people's property must be acquired and they must find new locations if they are reluctant to move.

Senator HILL. You find that every time you build a project. I mean the Engineers, Reclamation, or any other.

Mr. WAGNER. Yes, sir; whether it is a highway project, a housing project, a dam and reservoir project, the problem is the same. We will pay these people well for their property and we will help them find a new location, if they want such help.

But I think we should not proceed on the assumption that people have to move if we build the project, but they don't have to move if we don't—because, as I indicated, in the 1950-60 decade, more than 15,000 people moved from this area.

Now, that, Senator, is the equivalent of 400 or 500 families moving every year, year after year. They are moving from the area, not because they want to, but because they don't have employment. They are going out, not with a check for their property to help them get a new location, but with nothing, many of them without training for the jobs they seek, and moving to an uncertain future.

I think that is one of the human angles that needs to be considered, too.

LAND BETWEEN THE LAKES PROJECT

Unless there are more questions on Tellico, the remaining substantial item in this capital budget is funds for the Land Between the Lakes project, which Senator Ellender has referred to.

Senator ELLENDER. The Land Between the Lakes?

Mr. WAGNER. Yes, sir.

Senator ELLENDER. How much of the area have you acquired so far?

Mr. WAGNER. Let me find the figures, please.

Senator ELLENDER. As I remember, the entire cost of this land was going to be \$12 million.

Mr. WAGNER. We have acquired to date 4,000—about 4,200 acres, in some 400 different tracts.

Senator ELLENDER. Of a total?

Mr. WAGNER. Of a total of about 100,000 acres, in about 2,500 tracts to be acquired.

Senator ELLENDER. How much of that—4,000, you said?

Mr. WAGNER. 4,200 acres.

Senator ELLENDER. How much did that 4,000 cost you?

Mr. WAGNER. \$4.2 million. I should point out that these acquisitions have largely been of small lots with improvements on them, such as houses or cottages and a few small businesses. These people have wanted to get their money so that they could buy at another location. In some instances people have actually borrowed money to buy other sites, and it has been important to get them paid as promptly as we can. Of the \$9.9 million for Land Between the Lakes in this budget request, \$7 million is for land acquisition.

REQUESTS FOR LAND ACQUISITION

We have not been able to keep up with all the requests for land acquisition in this area. We have now a backlog of 540 requests from people who say, "We would like to sell quickly so that we can make our plans."

Some of them have already spotted new locations that they would like to buy, but they need their money. And this has been a source of uneasiness to us, because we want to treat the people fairly. For that reason, we are giving first attention to what you might call these hardship cases.

We also have to buy some land where construction is underway, but most of the purchases so far are of land where people have expressed a desire to sell.

Senator ELLENDER. Well, on page 8, I notice you have Land Between the Lakes, a total of \$9,900,000.

Mr. WAGNER. That is right.

Senator ELLENDER. And that is your request for fiscal year 1966.

BUDGET REQUEST FOR OPERATIONS

Mr. WAGNER. That is the request for capital funds. On the next page is a request for \$618,000 for operations.

Senator ELLENDER. What is involved there?

Mr. WAGNER. There are camping facilities, day use areas, and so on to be operated.

Senator ELLENDER. That is on the other property that the Interior gives you?

Mr. WAGNER. Some activities will be on property which we have bought and developed. The one camping area is on property TVA acquired for Kentucky reservoir. Some of the facilities are in the former wildlife refuge.

LAND COSTS

Senator ELLENDER. Would you answer the other question I asked about cost?

Mr. WAGNER. Yes, sir. The cost which we gave you last year, the estimated cost, was \$12 million for land. We have had to revise that estimate.

Senator ELLENDER. Upward?

Mr. WAGNER. Upward, to \$24 million.

Senator ELLENDER. You are going to revise it every year upward, until you are going to pay about how much? What is your estimate now?

Mr. WAGNER. Senator, we believe at this point that the \$24 million will buy the rest of the land. If I may explain that disparity briefly, I would like to.

The \$12 million estimate was prepared when this project was first suggested as an idea. And——

Senator ELLENDER. You mean to make it attractive. That is what I said last year when you brought this before us.

Mr. WAGNER. No, sir. At the time that it was prepared, the estimate reflected as accurately as we knew them the current values of land within the area. But when the idea of the Land Between the Lakes project was announced in 1961 and interest was developed, land prices began to skyrocket in the area. Speculators moved in and bought land. The price we pay is based on the prevailing price of land in the area.

I don't mean the price prevailing in just the Land Between the Lakes area. We also look at the sales of land on the opposite shores, of Kentucky Lake and Barkley. Those prices have gone up very rapidly. In fairness to the people whose land we are buying, they have to be paid enough so that they can buy new sites. And while it is unfortunate that this estimate had to be revised upward, it did.

However, we have now taken this trend, into account and we believe that \$24 million will buy all the land required.

DEMONSTRATION PROJECT TO CONTINUE INDEFINITELY

Senator ELLENDER. Well, what efforts have been made to transfer that to Interior, to some other agency, that has to do with the operation of parks, playgrounds?

Mr. WAGNER. No efforts have been made so far, Senator. You will perhaps recall that when TVA first proposed this idea to President Kennedy, he referred our report to the Department of the Interior, and the Department of the Interior after some study recommended that TVA undertake the project. We have undertaken it, to try some new ideas in the area, as a demonstration and we will continue to operate it until we feel that we have gotten those values developed.

Senator ELLENDER. And that will be until—there is no definite time?

Mr. WAGNER. No definite time has been set. If I had to make an estimate, I would say perhaps somewhere between 12 and 15 years. It is hard to look into the future. But that is about what we think now.

Senator ELLENDER. Of course, I won't live long enough to see it.

Mr. WAGNER. I hope you do.

ESTIMATE OF ULTIMATE COST

Senator ELLENDER. I don't mean to see the project. I mean to see what I am going to tell you. I would be willing to venture that this area will not cost \$24 million, but over \$50 million—because—you mark and see now. And I venture to say that the property will never be turned over to any other Government agency, because whenever you get one Government agency, a quasi, as is Tennessee Valley, they will never, never turn loose of what authority they have.

HISTORY OF DEMONSTRATION PROJECTS

Mr. WAGNER. We have turned over a number of operations to other agencies, and much land.

Senator ELLENDER. Which, for instance?

Mr. WAGNER. The whole recreation development in the Tennessee Valley, with the exception of this demonstration project.

Senator ELLENDER. Why did you turn it over to them?

Mr. WAGNER. Early in our history we built demonstration parks for recreation, and then as the States developed competence to operate them, and developed the organization to do it, we turned those parks over to the States and the major part of the recreation development job in the Tennessee Valley is now done by the States and by local governments.

Senator ELLENDER. The Land Between the Lakes land is something different, as I remember the explanation given.

Mr. WAGNER. Its construction and development is something different.

Senator ELLENDER. What you are trying to do now is demonstrate what could be done in other areas, is that right?

Mr. WAGNER. Yes; we hope to try out new ideas. We are an agency which has transferred large areas of land to the Fish and Wildlife Service, and to the Forest Service, rather than operate them ourselves. And I can assure you that when this demonstration has proved the things that we believe it can, we do not intend to continue to operate it.

REQUEST FOR PROJECT

Mr. SMITH. Senator, the reason that TVA is in the business of developing the Land Between the Lakes, is because of the overwhelming request of the people in the area.

Senator ELLENDER. You mean landowners?

Mr. SMITH. Landowners, the residents, among others.

Senator ELLENDER. You mean the Governor and other officials?

Mr. SMITH. As expressed by individuals, as well as the elected officials, both State and Federal.

VALUE OF TVA DEVELOPMENTS

Senator ELLENDER. Well, I hope we never create another TVA in this country. If we do, I would like to put it in Louisiana, and get benefit from Federal Government funds. Of course we don't have the resources.

But Tennessee is a varied State, I think it is in Appalachia, also. And in this little three county area you are going to build this dam

and spend \$42 million of the people's money, why that is somewhat of an Appalachia. But the Appalachia development that we voted on some time ago, those people are pikers compared to what you are doing here.

Mr. SMITH. Senator, if you will make the Tennessee Valley appropriation for water resource development per capita as much as was expended by the Federal Government for water resource development in Louisiana, our annual budget will be five or six times what it is.

Senator ELLENDER. No, no. The reason why I said that, is because we take care of about 41 other States, and Tennessee is one of them. In flood control. That is why that is done.

Mr. Mr. SMITH. Yes, sir, I know.

Senator ELLENDER. I know, I know.

Mr. WAGNER. Senator, I wish that we could persuade you that your feelings about the Tennessee Valley Authority are not justified. It just happens that I started to work for TVA 31 years ago today.

Senator ELLENDER. TVA was born during the war, more or less as an experiment. I agree it is all right. And I voted with you to provide all the funds necessary—until the time came when you wanted more money than I could see to firm electric power. I was willing to firm the electric power through power development. But when you went beyond that, that is when I parted company with you, because I didn't think it was right. And as I pointed out awhile ago, 73 to 74 percent of the electricity that is sold in your area was produced from funds that were provided by the Federal Government.

Mr. WAGNER. Which are now being repaid—you used the term, with interest.

And we think they have been an excellent investment for the Nation.

That is why I say I am sorry that we are not able to persuade you—because the spirit of progress and growth that is evident in that region is most rewarding to anyone who is concerned with resource development and with human endeavor.

Senator ELLENDER. The thing that I gripe about is that you have got a special area here in which many, many millions of dollars have been expended, from moneys taken from New York, from Massachusetts, from Louisiana, and other places, and you are building a little industrial empire there at the cost of the taxpayers, and the probabilities are that many of the industries that go there to find this cheap electricity will leave Louisiana to go to Tennessee, or leave New York to go to Tennessee, and get this cheap power.

Mr. WAGNER. The industries locating in the area are, with very few exceptions, new industries based on the resources of the area. They have not moved there from elsewhere. We have kept records of this, Senator.

Senator ELLENDER. I say they would probably go somewhere else. You have the attraction. In other words, we have built the attraction there for you.

FEDERAL EXPENDITURES FOR TVA

Mr. WAGNER. On the matter of Federal expenditures, it is commonly supposed by many people that the total Federal expenditures in the TVA area have been heavier than they have been in the rest of the Nation. The facts and figures do not support this belief.

Since 1933, when the TVA was created, Federal expenditures per capita in the Tennessee Valley have been from 55 to 60 percent of the average for the Nation as a whole. I am referring to Federal expenditures for all purposes. I think a difference has been that much of the expenditure in the Tennessee Valley has been for projects such as we are talking about today, which give to the people of that region a new tool, something with which they themselves can build their economy. In that field the expenditures have been more nearly the national average.

And that has been the theory of the whole TVA development, to use Federal funds only where they are required, to let State and local organizations, individuals and private enterprise do the rest of the job.

For instance, we have a little over \$200 million of Federal funds invested in the navigation channel. The private investment in waterfront industries, using that channel, or relying on it, is a billion dollars—five times as much. So that the TVA development has been used to release the force and initiative and energy of private enterprise, to help build a region, to provide jobs for the people coming off the farms and who need those jobs.

PAYMENTS TO THE TREASURY

Senator HILL. Now, you pay a dividend on the appropriation investment in power facilities every year, and you are paying back that investment too, are you not?

Mr. WAGNER. Yes, sir; we are. And Mr. Jones always has those figures.

Senator ELLENDER. Now that you mention it, how much is spent there entirely, and how much is repayable?

Mr. JONES. Well, Senator, the payment to the Treasury from power proceeds as presented in this budget document for fiscal year 1966 was estimated at \$57 million. However, we received a letter from the Treasury yesterday, and the cost of money to the Federal Government has gone up, which will increase that amount by about \$2 million. So actually we will be paying to the Treasury in dividends \$43,900,000 next year, plus a payback of \$15 million of the approximately \$1.2 billion that has been invested in the power system from appropriated funds. Of the \$1.2 billion, \$1 billion will be paid back over a 54-year period, leaving just \$200 million of appropriated funds invested by the Federal Government in the power system, which the Federal Government will still own in its entirety.

Senator ELLENDER. Is that the entire amount spent in the valley—\$1.2 billion?

Mr. JONES. No, that is for power. Total appropriations to date have been approximately \$2.2 billion.

Senator ELLENDER. So of the \$2.2 billion, only \$1.2 billion you are paying back—

Mr. JONES. No. We have already paid back in round figures about \$226 million of that.

Senator ELLENDER. Of the \$2.2 billion spent in the valley, how much of it will not be repaid?

Mr. JONES. Of the power appropriation investment, only \$200 million will not be repaid.

ASSETS VERSUS APPROPRIATIONS

Incidentally, for \$2.2 billion that has been appropriated over the years, our total assets today are \$2.6 billion. I know of no other Federal agency that has more assets on hand than the funds appropriated to them.

Senator ELLENDER. Is that at market value?

Mr. JONES. No; this is cost when originally dedicated to public service less accumulated depreciation. That is because we have financed a large portion of the power system from proceeds and borrowings.

BONDS ISSUED AND NOTES SOLD

Senator ELLENDER. What is the amount of bonds issued up to now?

Mr. JONES. \$310 million at the moment, bonds and notes.

Senator ELLENDER. And those bonds were sold to private concerns?

Mr. JONES. The bonds were, but the notes were sold partly to private concerns, and partly to the Treasury. You see, there is provision in the financing bill for the Treasury buying a part of them. The Treasury, as of March 31, held \$95 million and the public \$80 million of the notes.

Senator ELLENDER. Why do you issue notes instead of bonds?

Mr. JONES. They are issued for a short period of time, Senator, and we can sell them at less interest. We can save, oh, perhaps half a percent, depending upon the market, sometimes more, by selling notes. They are sold in much the same manner as the Treasury sells notes.

Senator ELLENDER. When you dispose of bonds, I presume that whatever the rate is at the time of sale, the bid for those bonds guides the rate of interest paid until their maturity.

Mr. JONES. That is correct. They are sold on competitive bid.

PAYMENTS ON BONDS AND NOTES

Senator HILL. How much are you paying back this year?

Mr. JONES. In fiscal 1966 TVA will pay \$15 million on the principal, and \$43.9 million in dividends. A total of \$58,900,000.

Senator HILL. That is what you are going to pay into the Treasury this year?

Mr. JONES. In the budget we are now discussing.

Senator HILL. How much did you pay back last year?

Mr. JONES. Last year we paid \$10 million in reduction of the principal, and \$42.6 million as dividends, or a total of \$52.6 million.

Senator ELLENDER. How much are you asking of the Government now by way of appropriations?

Mr. JONES. \$59 million.

Mr. WAGNER. \$58.9 million.

Senator ELLENDER. You are asking for a little more than you are paying.

Mr. JONES. Of course there is no connection between the two, Senator.

Senator ELLENDER. I know.

Mr. WAGNER. The two are only by chance very close to the same figure.

Senator ELLENDER. Well, every year it is that way.

Mr. WAGNER. It means we don't cost as much as you thought we did.

FEDERAL PAYMENTS FOR TELlico PROJECT

Senator ELLENDER. No—I am for TVA. Don't misunderstand me. But a lot of what I claim—like this Tellico business—ought to be paid some other way, and not let the taxpayers pay for this. Of course this is not peculiar to Tellico. I voted against the Appalachia, because this extra money you are putting there—and why Virginia should get money, and North Carolina, which is a rich State, should get more than New York, or poor little Louisiana down there, or old Mississippi, I cannot see that. I have to get thicker glasses maybe to be able to see it.

Senator HLL. You mean neither Mississippi nor Louisiana were poor enough to get in the Appalachia program?

Senator ELLENDER. I don't want to take the time of this committee, but if you go to northern Louisiana, and go to Claiborne Parish, Webster Parish, and others, you ought to see the migration that is taking place. Farms are all—all the people have gone. And if we need an Appalachia there—if the method of recuperating those areas is sound, the way that it is being done—I would not have the heart or the temerity to even suggest it because I don't think it is right.

Mr. WAGNER. Mr. Chairman, unless there are further questions, that completes the major items presented in the President's budget.

LAND BETWEEN THE LAKES ACQUISITION

Senator ELLENDER. Just one more question on the Land Between the Lakes.

You have acquired, you said, 4,000 out of 100,000 acres.

Mr. WAGNER. 4,000.

Senator ELLENDER. 4,000 out of 100,000 acres. How many more acres is that than the last time you reported here?

As I remember, you had 2,000 and some odd.

Mr. WAGNER. I don't have the figure, Senator Ellender. I think it was less than that. We had not acquired much land at that time. Funds for this project did not become available until January 1, 1964. We had only 6 months in that fiscal year and it takes time to establish property lines and determine ownerships. We had not had many weeks to work on land purchasing by the time we were here last year.

Senator ELLENDER. You indicated a moment ago that you had applications for how much, that you didn't have the money?

Mr. WAGNER. From 540 owners.

Senator ELLENDER. Aggregating how many acres?

Mr. WAGNER. I don't have the acreage on that, because some of these are people whose land has not yet been surveyed.

BUDGET REQUEST FOR LAND ACQUISITION

Senator ELLENDER. And you are asking for this proposal, \$9.9 million for this year.

Mr. WAGNER. That is right, \$7 million of which would be spent for land acquisition.

Senator ELLENDER. And last year you got just under \$5 million.

Mr. WAGNER. Last year it was \$5 million. The year before that it was \$4 million, as I recall.

Senator ELLENDER. So you have already spent—that would be \$17 million you will have spent if the Congress makes the mistake to give you the \$9,900,000.

Mr. WAGNER. If the appropriation is granted; yes, sir.

Senator ELLENDER. \$17 million. And you have only 4,000 out of a hundred thousand acres.

Mr. WAGNER. Senator, the \$17 million will buy more than 4,000 acres. By the time that has been spent we will have bought somewhere in the neighborhood of 26,000 acres more and we shall have built roads, several camping grounds, and a number of other facilities for the public to use.

Senator ELLENDER. You mean by the time you spend the \$9.9 million. So that \$17 million out of a hundred thousand—

Mr. WAGNER. Our 1966 appropriation request will enable us to acquire 26,000 acres.

Senator ELLENDER. I mean a quarter of the land for \$17 million.

Mr. WAGNER. Yes, sir.

Senator ELLENDER. And mark my prediction. I will live long enough for that.

Mr. WAGNER. I hope we both do.

Senator ELLENDER. If I had land there, you would not get it for a hundred dollars an acre as you propose.

Mr. SMITH. That is the trouble we run into now.

Senator ELLENDER. I know it is. And I believe that the people there ought to have their own rights in keeping that land, and developing some of it, and not let the Government gobble it up. That is what you are doing. That is the point I made before. You already had quite a big chunk, 50 some on the thousand acres that you got from the TVA, that was turned over to you. But now you are buying it, you want to extend it and buy more and more.

PROPOSED TOTAL LAND ACQUISITION

How much will that be altogether?

Mr. WAGNER. About 170,000 acres in the total area.

Senator ELLENDER. 170,000 acres of land, owned by the Government, taken off the tax rolls. That is what I was complaining about.

Mr. WAGNER. Senator, I would like to make certain that the arithmetic you and I did is correct. We were adding total expenditures for the project, which included something for construction. The actual expenditures for land to date have been \$4.2 million, and this new appropriation would add \$7 million, and the two would add up to \$11.2 million of the total \$24 million estimated for the cost of land.

Senator ELLENDER. And you obtained how many acres?

Mr. WAGNER. 26,000 acres this fiscal year plus 4,200 acres bought to date.

Senator ELLENDER. I hope your estimates are right. But I still believe that as time goes on, those people are going to get a little sense in their head and the market for land will go up, it is bound to go up.

Mr. WAGNER. Of course in a way that makes it all the more im-

portant that areas like this be bought now for the benefit of people in the future, when our population has grown, and when there will be even a greater scarcity of areas for outdoor recreation, and for fish and wildlife purposes, and that sort of thing.

EXPANSION OF RECREATION AREAS

Senator ELLENDER. If we continue at our present rate you will have more recreation than necessary to take care of the people, because we are building dams all over this country. I happen to be chairman of the subcommittee, and I know what is going on. I am all for it. But we are expanding so now, in letting Uncle Sam carry the burden of even paying for the roads, leaving all the States out of the picture, that I believe that some new policy is going to have to be developed in order to—if we are to take care of these, and let them be on a cooperative basis.

Senator HILL. Any other questions on this matter?

Senator ELLENDER. No.

Senator HILL. On the Land Between the Lakes?

Senator ELLENDER. No.

Senator HILL. Well, Mr. Wagner, suppose you address yourself now to changes which the House made in the budget estimates.

Mr. WAGNER. I will be glad to do that.

Senator HILL. I want to say this about Senator Ellender. He is the best advocate of rural development in the United States. He is our leader. From Maine to California.

Senator ELLENDER. If I had my hat on, I would take it off to you.

Senator HILL. You know I am qualified to pay you that tribute.

Mr. SMITH. I agree, sir. He was one of the best friends my district ever had.

Senator HILL. Throughout the country.

Mr. WAGNER. I was concerned about these people in the northern part of your State that you mentioned, Senator Ellender, and I could not help but wish, as you spoke, that you might have some kind of a multiple-purpose resource development program that would benefit them, too. I think some of the approaches that are used when you base development on your resources and involve the people in the process are the kind that will work everywhere and give lasting improvement.

Senator ELLENDER. My belief has always been that water and land belong to all of the people. The present generation are merely the trustees for future generations to come, and that is why I have been so anxious to develop this for all the people, and not just one little particular area.

Mr. WAGNER. But you have to do it area by area. It is being done in other areas, too. In this area we are just using a different device.

Senator ELLENDER. You are going into many other endeavors here that should be carried on by other departments of government. TVA was organized to develop electric power from falling water. That was the original intent. Develop it so they could produce electricity. Now you are in all kinds of businesses. You are buying land to resell, and you are bringing industry in that little area. That is what I am complaining of—period.

That is all.

HOUSE ADDITION FOR LAND BETWEEN THE LAKES

Mr. WAGNER. Senator, one of the changes that was made by the House, was to add \$1 million for land acquisition for the Land Between the Lakes project which we have just been discussing. I believe this was added in recognition of the fact that we had a substantial backlog of unfulfilled requests for purchase. This additional million dollars would be extremely useful to us in future expediting land purchases and alleviating some of the landowners' problems I have mentioned. We believe that it would enable us to eliminate any backlog of requests—at least we would hope that.

HOUSE ADDITION FOR POLLUTION CONTROL STUDIES

Another change made by the House was the addition of \$100,000 for pollution control studies, and they mentioned specifically the TVA should give attention to this supposed problem of pollution that would arise from the construction of the Tellico project.

We do not need this money to study that Fort Loudoun-Tellico interrelationship question, because we have already studied it. Our sanitary engineers have made extensive studies and reports on it.

At the same time we can use the money to good advantage to accelerate and publish some of our water quality studies. Water is of more and more importance to our growing economy, and we could use this increase to complete the analysis and reporting of water quality surveys that are now underway for three reservoirs. This would hasten the date when information about the quality of water and its characteristics in all parts of these three reservoirs could be made available to the Public Health Service, to State and municipal officials, and others.

HOUSE REDUCTION FOR TELLICO PROJECT

The third change which the House made was to eliminate \$5,775,000 requested for the Tellico project, which we discussed earlier. As I have indicated, we think this is an excellent project, it has been in our plans for a long time, and we would like to appeal to you as strongly as we can for the restoration of this item.

HOUSE ADDITION OF TIMS FORD PROJECT

Now, the House, also, in this process, added funds for the construction of the Tims Ford project, on the Elk River which was not in the President's budget.

Senator ELLENDER. What is the name of that?

Mr. WAGNER. Tims Ford. If you would like, Mr. Chairman, I would be glad to describe the project for you.

Senator HILL. Suppose you do that.

DESCRIPTION OF TIMS FORD PROJECT

Mr. WAGNER. This is a multiple-purpose dam and reservoir near the headwaters of the Elk River. To locate it on the map which I have here, it would be about this point. The total cost of the project would be \$39 million. It would be a concrete gravity dam, about

160 feet high, and 1,300 feet long. It would have a reservoir some 34 miles long, with an area at normal pool of, I believe, nearly 11,000 acres.

It would have a power installation with a capacity of 40,000 kilowatts, and it would produce about 64 million kilowatt-hours of electricity a year.

The reservoir would have a flood storage capacity of 225,000 acre-feet, and it would be useful for system flood control downstream from Wheeler Reservoir into which the Elk River flows. It will also help to give added protection to the land along the lower Ohio, and lower Mississippi Rivers, as well as providing flood protection for agricultural lands in the Elk River Valley, itself, and protection for the town of Fayetteville, Tenn., which lies downstream.

There would be no navigation lock in this dam. It is a headwater dam and the channel below is too small for navigation by barges.

The project would, however, provide important benefits in a number of fields. It would be a useful recreation addition to the area, and we estimate that the towns around there would provide within 10 years a visitor load of perhaps 1,850,000 person-days per year.

It would provide for an increase in available fishing and waterfowl hunting. It would add to the reliability of water supply in the area—and this is an area in which manufacturing has doubled in the past 10 years, and there is a growing need for water.

The steadier flow and the larger flow in dry periods would provide an element of water quality control, so that less treatment of water taken from the river would be required. And it would provide a shoreline for development in a variety of ways. The plan for shorelands use here, again, will be developed with local groups. These lands will be managed by a local organization. Some of the lands would be sold and a part of the proceeds would be returned by the local organization to TVA for payment into the Treasury.

The Tims Ford project is a part of our tributary area development program in the Elk River area, and for this reason it is in a special category. It is a good project; it is one on which we have worked with local people carefully. Its usefulness will depend upon strong local efforts, and there is an excellent group in this area working in the total resource development program. They will participate in the project in a variety of important ways.

BENEFIT-TO-COST RATIO

Senator ELLENDER. What is the benefit-to-cost ratio?

Mr. WAGNER. 1.4 to 1.

Senator ELLENDER. The same as the other.

And how do you allocate the cost?

Mr. WAGNER. This benefit-cost ratio is calculated on a basis more nearly likely like that used by the Corps of Engineers.

Senator ELLENDER. How much is the electricity?

Mr. WAGNER. About \$6.5 million in power.

Senator ELLENDER. What is the rest of it—navigation? No navigation? Flood control?

Mr. WAGNER. Flood control—I am giving you now what we tentatively believe the allocation would be, not what the benefits are.

Flood control, about \$5 million. Shoreline development, which I just mentioned, about \$5 million.

Senator ELLENDER. You figure that to be a benefit?

Mr. WAGNER. Yes; this is very definitely an economic benefit. Part of it, incidentally, would be in the form of a repayment from the local organization.

TOTAL PROJECT COST

Senator ELLENDER. You say the total cost is \$39 million?

Mr. WAGNER. Yes, sir.

Senator ELLENDER. You have \$6.5 million for electricity. You have \$5 million for flood control.

Mr. WAGNER. There are more items, Senator.

Shoreline development, \$5 million. Water supply and water quality control, about \$1.3 million. Commercial fishing, a half million dollars. Recreation, about \$17.4 million. Fish and water—sport fishing and waterfowl hunting, \$3.3 million. And that adds to \$39 million.

Now, again, that is a tentative allocation, Senator. The allocation cannot be made until the project is built. But this is about the way it looks now.

Senator ELLENDER. Did you say commercial fishing \$17 million?

Mr. WAGNER. No; commercial fishing was a half million dollars.

Senator ELLENDER. What was the \$17 million?

Mr. WAGNER. Recreation.

Senator ELLENDER. All of that would be put up by the Federal Government.

Mr. WAGNER. Yes, sir; this project—

Senator ELLENDER. All except \$6.5 million?

Mr. WAGNER. We propose that the entire project would be built with appropriations, and there would be an allocation to power on which we would pay a return as in the case of Tellico.

Senator ELLENDER. You would not issue bonds to construct that?

Mr. WAGNER. No; we are not proposing bond financing for this, Senator, because this project, as I say, is a part of our tributary area development program.

Senator ELLENDER. Not to be developed now?

Mr. WAGNER. We think it is a very important part.

Senator ELLENDER. Not to be developed now. You prefer Tellico to this?

BUDGET SUBMISSION

Mr. WAGNER. In the final preparation of the President's budget, as I believe you know, we put in Tellico and not Tims Ford, when we had to make a decision. We do not consider Tims Ford as a substitute for Tellico. Both projects are needed and they are both good. But Tellico, is further along in our planning; it is part of the regional system, and this is the choice we made.

Senator HILL. From the standpoint of navigation, flood control, and power, give us a comparison.

Mr. WAGNER. The Tellico project—and these facts entered into our decision—the Tellico project will produce 200 million kilowatt-hours annually as against 64 million for Tims Ford.

This results, in part, from the planning that went into the Fort Loudoun and Fontana projects built long ago.

From the standpoint of navigation, the Tellico project will provide a channel which will become a part of the total inland navigation system, and this gives it a greater potential for industrial development, and for the employment that would go with it. This is particularly significant because, as I indicated earlier, these waterfront industries are what we call building block industries, and you get a proliferation of satellite industries from them. We believe there would be some industries which would locate on the Tims Ford Reservoir, but they would not be barge-using industries, because navigation would not be available.

There is a greater flood control benefit from the Tellico project arising largely from the fact that it is farther up the valley and thus it protects more of the Tennessee Valley, including Chattanooga, which is our most vulnerable spot.

These are the principal reasons, Senator.

As I say, both of these are good projects. But these were the factors that led us to give priority to the Tellico project.

COMPARISON OF TELLICO AND TIMS FORD PROJECTS

Senator HILL. From the standpoint of the navigation, power, and flood control, the Tellico is the superior project?

Mr. WAGNER. Yes, sir. It has greater benefits in relation to the cost.

Mr. SMITH. The Tims Ford is a very imaginative development in the tributary area program, and it will be a very historic step toward the type of tributary development that we envision. It will serve to demonstrate the advantages that can be gained by a coordinated tributary development. That will be the great attraction of the Tims Ford project.

Senator HILL. But your Board decided between the two, as of now the Tellico is the No. 1 project?

Mr. WAGNER. Yes, sir. We have given Tellico preference in this budget.

Senator HILL. You just summarized the kilowatt-hours it will add, the navigation, the flood control.

Mr. WAGNER. That is right.

Senator HILL. Any other questions about these two dams?

Mr. WAGNER. I have nothing further, unless you have questions.

Senator HILL. Senator Ellender?

Senator ELLENDER. Nothing further.

Senator HILL. And the budget recommended the funds for the Tellico Dam?

Mr. WAGNER. Yes, sir. Tellico was in the President's budget as it came to the Congress.

Senator HILL. And the other is not?

Mr. WAGNER. That is right.

Senator HILL. You have shown the superiority of the Tellico Dam to the Tims Ford Dam on these three basic factors.

Mr. WAGNER. On these counts it adds up as a better project. The navigation, flood control, and power benefits alone on the Tellico project are about equal to the net cost of the project and the economic development impact is a bonus. The Tims Ford project relies more heavily on these auxiliary benefits, which we think are very important

benefits, but they are not the traditional benefits. But it does rely on those for its economic justification.

Senator HILL. Well, if the budget recommendation and your recommendation were carried out this year, would it be your thought to ask for Tims Ford in the future?

Mr. WAGNER. Surely. We believe that the Tims Ford project should be built. And I hope that I have indicated that today. I intended to.

PRIORITY OF PROJECTS

Senator HILL. You have indicated it, and I just want to make that definite and clear—that the Tellico funds would apply to Tellico now. And then you will come forward and most probably will request Tims Ford next, is that correct?

Mr. WAGNER. Yes, sir.

Senator HILL. Any questions, Senator Ellender?

Senator ELLENDER. No.

PAYMENT OF BONUSES TO SECURE CUSTOMERS

Senator HILL. I had a question here from a member of the committee who could not be here, Mr. Wagner. In his absence I will ask it.

He said—

“Several Members of the Senate have received a protest from constituents who claim to have read the following published item regarding the TVA:

As a prime example of unfair Government competition with private industry, how is this? In an effort to woo customers from the natural gas companies the Government-owned Tennessee Valley Authority will pay virtually any homeowner in this area a premium of \$150 for converting to an all-electric home.

“In addition he can receive bonuses of \$25 for installing an electric water heater, \$15 for a clothes dryer, and \$10 for a washer.”

Would you kindly discuss this report to clear up this matter?

Mr. WAGNER. Let me just say, first, those are not payments by TVA. There are no TVA funds involved here.

Mr. Wessenauer has had to respond to that question on previous occasions. He is here. He is our manager of power. I would like to ask him to respond.

Senator HILL. Mr. Wessenauer, would you come forward?

MERCHANDISING TECHNIQUE

Mr. WESSENAUER. Senator, this is a merchandising technique that is utilized throughout the country, to encourage use of electricity. These distributors of power in the Tennessee Valley, as well as the gas industry, are encouraging use of one or the other forms of energy in their communities. The cost of these promotions is borne by the distributors in the TVA area. Essentially it is a cost paid by the rate payers, because it is part of the cost of distributing electricity, just as it is part of the cost of distributing gas when a gas company makes offers of a similar nature.

Senator HILL. TVA does not sell to individual consumers, or homeowners?

Mr. WESSENAUER. That is right, sir.

Senator HILL. You sell to the municipality, is that right?

Mr. WESSENAUER. Practically all the homes in the area are served by one of the municipalities or rural electric co-ops.

Senator HILL. And not directly by TVA?

Mr. WESSENAUER. That is correct.

Senator HILL. Of course I see a tremendous war going on here today between Pepco, which is the power company, urging consumers to buy electric air conditioning, and the Washington Gas Light Co., urging them to buy gas air conditioning.

Mr. WESSENAUER. Competition—

Senator HILL. We can well understand. That is just competition.

But, as you say, there is no basis whatever for any such statement so far as TVA is concerned.

Mr. WESSENAUER. No, sir.

SOURCE OF GAS SUPPLY

Senator ELLENDER. Where does the gas supply come from?

Mr. WESSENAUER. I think it comes from Texas and Louisiana, sir.

Senator ELLENDER. That is what I expected.

Mr. SMITH. TVA buys for its Muscle Shoals chemical plant quite a bit of gas from Louisiana.

Senator HILL. From the State of Louisiana?

Mr. SMITH. That is right, we buy it from Louisiana, and use it in our plants at Muscle Shoals.

Senator HILL. Any other questions, Senator Ellender?

Senator ELLENDER. No.

Senator HILL. Anything you would like to add?

Mr. WAGNER. No, sir; I have nothing further.

Senator HILL. Anything you gentlemen would like to add?

If not, we stand in recess until 2 p.m.

STATEMENT OF G. J. TANKERSLEY, PRESIDENT, WESTERN KENTUCKY GAS CO., OWENSBORO, KY.

Mr. JACK MEIBURGER. I would like to request permission to file a written statement on behalf of Mr. Jack Tankersley of Western Kentucky Gas Co.

Now, that statement, frankly, is partly an oversight on my part that that—that Mr. Tankersley was not here today. I was out of town for a little while. And it was just an oversight. So I would—I was wondering, sir, if it would be possible to obtain your permission to file that statement.

Senator HILL. When would you be ready to file that statement?

Mr. MEIBURGER. That could be filed no later than Wednesday or Thursday of next week.

Senator HILL. That would be a little late. This is a subcommittee of the Committee on Public Works.

When Senator Ellender gets ready to proceed with his subcommittee meeting, this subcommittee has to be ready to report. Couldn't you expedite that?

Mr. MEIBURGER. Well, sir, how about Monday, then?

Senator HILL. Monday would be much better.

Mr. MEIBURGER. Thank you for your courtesy. And I would like to emphasize that that late request is my own responsibility rather than Mr. Tankersley.

(The prepared statement, together with exhibits of G. J. Tankersley, follows:)

My name is G. J. Tankersley, and I am president of Western Kentucky Gas Co. I greatly appreciate your giving me this opportunity to appear before you.

Western Kentucky Gas Co. is an investor-owned utility which serves some 90,000 customers with natural gas in the western part of Kentucky. Much of this area is also served with TVA electric power, distributed by municipal systems and rural cooperatives.

Over the past few years, these municipal systems and cooperatives have conducted a coordinated advertising campaign built around the principle of "buying" customers. Cash gifts, or "bonuses" as they are usually called in the advertising, are offered to householders who purchase electric heating systems or major electric appliances, and to builders who install such heating systems or appliances in new homes.

The typical cash award for an all-electric home is \$100, although in a number of cases a builder or householder can collect over \$200, depending on the size of his installation and the number of appliances used.

The advertisements relating to cash bonuses by these distributors, as you can see by the accompanying exhibits, show a marked degree of uniformity which leaves no doubt that this campaign is the result of centralized planning and direction.

I have come to the conclusion that the entire cash bonus promotional campaign is planned by, and under the direct supervision of, the TVA. This conclusion is well illustrated by a news article which appeared on March 28, 1965, in the Louisville Courier Journal in which Paul Evans, Director of Information at the TVA office at Knoxville, was quoted as saying:

"The bonus idea is a good one, we think, and in fact we helped our distributors plan the bonus idea."

Asked if he thought this kind of merchandising was fair, Mr. Evans said:

"Tough. But that's competition. They (meaning the gas companies) can give bonuses, too, you know."

But there is the rub. My company does not have the financial resources to come close to meeting this form of competition. We can compete, and have competed for many years, with TVA's extremely low rates. But when competition becomes a matter of putting the customer on the auction block, we have no hope of being able to outbid the apparently bottomless financial resources of the TVA power complex.

I am under no delusion that TVA's distributors will ever run out of dollars. Nor, unless in some way they are persuaded to desist, can I foresee anything but a continuation, indeed an acceleration, of this type of sales promotion. In fact, it is not difficult to foresee, as a logical outcome of this process, the day when cooperatives and municipals purchasing power from TVA will give away major electric appliances in order to increase their load.

The ultimate objective is plain: TVA is bent on total electrification of its entire service area. Such an outcome would, of course, leave no room for gas distributing companies such as my own or other energy suppliers. It should also be pointed out in passing that such an outcome would do irreparable harm to industrial expansion in TVA territory, since many industries use gas for processes in which electric power cannot be substituted. And the gas companies in the area could not stay in business serving industrial customers alone.

I have indicated my company's willingness to compete with TVA. But I do urge you to evaluate carefully in your own minds the propriety of the U.S. Government, through TVA, actively encouraging and promoting a type of competition which, if expanded, will inevitably put taxpaying, investor-owned enterprises out of business in the areas served by TVA.

At this point I think I should make my position perfectly clear. While I believe that the present overall activities of TVA have gone far beyond the initial legislative sanction for the production and sale of electric energy as "incidental" to the primary purpose of TVA to control floods and improve navigation, I am not here in protest of the principle or concept of TVA. My appearance is directed, at this time, solely to the unfair advertising and promotional practices being used by the municipal distributors purchasing power from TVA. To put it in a nutshell, the use of cash bonuses by these distributors, if left unharnessed, will put my company out of business.

But, in addition, I believe that these activities are in violation of the statutes of the United States and the established policy of our present administration.

As I see it, the enabling statutes do not grant the powers to TVA to engage in, or to direct, such activities. Indeed, the statute is quite specific as to what shall be done with revenues which are produced by the sale of energy by TVA. Any surplus funds over and above certain specified costs must be returned to the Treasury of the United States. As to distributors purchasing power from TVA, the statute again is quite specific, as are the contracts between TVA and such distributors. The funds, over and above the specified costs plus an amount equivalent to payment in lieu of tax, shall be declared surplus funds and used for the purpose of reducing rates. Therefore, nowhere within the provisions of the statute or in the contracts between TVA and the distributors, in my opinion, is there any authority for the utilization of funds for cash bonuses.

Moreover, I believe that the cash bonus violates the enabling statute in several other specific respects. Title 16 U.S.C.A. 831k provides in pertinent part:

"Provided further, That all contracts entered into between the Corporation and any municipality or other political subdivision or cooperative organization shall provide that the electric power shall be sold and distributed to the ultimate consumer without discrimination as between consumers of the same class, and such contract shall be voidable at the election of the board if a discriminatory rate, rebate, or other special concession is made or given to any consumer or user by the municipality or other political subdivision or cooperative organization :"

In my opinion, it is quite clear that a cash bonus constitutes a rebate, a special concession, and results in effective discrimination between consumers of the same class.

The above-quoted provision is incorporated in the typical contract between TVA and its distributor customers. Therefore, this activity of sponsoring cash bonuses violates not only of the enabling statute but also of the contractual provisions between TVA and its distributors. There is no question that under such circumstances TVA can control these activities. As a matter of fact, as indicated above, Congress has declared that, under such circumstances, the contract is voidable. Despite these legislative restrictions, TVA has made no attempt to stop this activity. On the contrary, they are sanctioning and sponsoring it.

In addition to the apparent illegality of the cash bonus activity, I submit that active encouragement by TVA of sales promotions deliberately designed to destroy investor-owned companies is totally at odds with the administration's recently announced intention to work toward lessening the Government's rivalry with taxpaying businesses. The administration's policy in this respect is perfectly understandable. Government in business is the curious process by which a nation's citizens contribute taxes to finance the growth of the very enterprises which destroy their means of livelihood.

TVA representatives attempt to justify the cash bonus activities of their customers by pointing to isolated instances where privately owned electric distributors have also offered cash bonuses. This is no justification at all. The privately owned electric distributor is subject to the rigid control of the State utility commission which carefully reviews activities of this nature. In sharp contrast, however, TVA which has a statutory directive to refrain from discriminatory practices, is not only exercising no control, in this respect, over the municipal distributors purchasing from TVA (who are also contractually bound to refrain from such practices), but is actively promoting and endorsing such activities. Certainly TVA should not accentuate the problem by becoming the instrument of fostering what I consider an improper form of competition between its purchasers and privately owned gas companies, such as my own.

Under all of these circumstances, I recommend that the Congress use its power and influence to curb this destructive marketing practice. In this connection, I would recommend to this committee, for its serious consideration, the enactment of a legislative restriction which, in clear and certain terms, prohibits the use of any funds available to TVA, regardless of source, for the purpose either directly or indirectly, of promotional activities of the distributor purchasers. In addition, I would recommend that an investigation be instituted to determine whether the funds being utilized by TVA distributor purchasers for such activities is contrary to the TVA contractual limitations relating to the use of surplus funds and whether the payment of cash bonuses violates the statutory and TVA contractual prohibitions against rebates, special concessions and discrimination.

Finally, I believe that this committee should give serious consideration to eliminating the present requirement that surplus funds of TVA distributors must be used for the purpose of reducing rates. It would seem to be in the

best interests of the community being served to give the discretion to the municipally involved to use such funds for either the reduction of rates or other community activities (other than promotional), such as educational purposes, hospitals, and other municipal services.

EXHIBITS ACCOMPANYING PREPARED STATEMENT OF G. J. TANKERSLEY, WESTERN KENTUCKY GAS CO.

The first of these exhibits is a reproduction of a statement issued by a municipal electric system outlining the terms on which it will pay cash bonuses for all-electric installations. The second of these is an advertisement showing that, through the use of cash bonuses, over 90 percent of the new homes built in Glasgow, Ky., were all-electric homes.

The remainder of the exhibits are reproductions of advertisements published by municipal and cooperative distributors of TVA power, relative to the cash-bonus promotion.

ELECTRIC PLANT BOARD OF THE CITY OF BOWLING GREEN

ALL-ELECTRIC HOME CASH BONUS OFFER

A cash bonus of \$10.00 per KW of connected heating load shall be paid to (1) the building contractor if he constructs an All-Electric Home for speculative purposes or (2) the home owner if he contracts with a building contractor to construct an All-Electric Home according to his specifications or (3) the home owner if he converts his existing home from gas to All-Electric. Heating must be installed according to Electric Plant Board's specifications to be eligible for the cash bonus. In these All-Electric Homes there will be no water heater cash bonus payments. This offer begins March 1, 1965 and runs through December 31, 1965.

ALL-ELECTRIC APARTMENT HOUSE CASH BONUS OFFER

A cash bonus of \$10.00 per KW of connected heating load shall be paid to the owner or owners constructing an All-Electric Apartment House or converting an existing gas system to an All-Electric Apartment House. This offer applies to duplex houses, apartment houses and rooming houses. Heating must be installed according to Electric Plant Board's specifications to be eligible for the cash bonus. In these All-Electric Apartments there will be no water heater cash bonus payments. This offer begins March 1, 1965 and runs through December 31, 1965.

ALL-ELECTRIC COMMERCIAL BUILDING CASH BONUS OFFER

A cash bonus of \$10.00 per KW of connected heating load shall be paid to the owner or owners constructing an All-Electric Commercial Building or converting and existing gas system to an All-Electric Commercial Building. Exceptions may be made in this policy to provide for parts of a building to be heated with some other fuel (garage attachments, open work areas, etc.). Heating must be installed according to Electric Plant Board's specifications to be eligible for cash bonus. This offer begins March 1, 1965 and runs through December 31, 1965.

NOTE: All Cash Bonus Payments will be based on heat loss calculations made by the Electric Plant Board, and in questions concerning validity of claims, the decision of the Electric Plant Board shall be final.

For your FREE Heating Recommendations and Estimated Operating Costs contact Henry Carlisle or Robert Logsdon, Electrical Development Department, Electric Plant Board, 1020 College Street, Phone: 843-4341.

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(see opposite side of this sheet for Cash Bonus Certificate)

Glasgow, Ky., Daily Times, Friday, April 30, 1965-5

IN **1964** OVER **90%** OF THE
New Homes Built In Glasgow
 WERE **SELECTED** TO BE
ALL ELECTRIC HOMES

PICTURED BELOW ARE ALL-ELECTRIC HOMES IN THE ALL-ELECTRIC ST. CHARLES COURT. ALL THESE HOMES WERE BUILT AND CHOSEN TO BE ALL-ELECTRIC BY F. C. PARRISH-BUILDER.



MR. F. C. PARRISH-BUILDER



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Lexington Drive

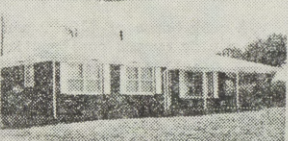
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HERE IS PROOF THAT GLASGOW HOME BUYERS PREFER WELL BUILT ALL-ELECTRIC HOMES. ACCORDING TO MR. PARRISH THESE HOMES WERE ALL SOLD DURING CONSTRUCTION OR SOON AS COMPLETED.



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LAUNDRY SPECIAL...

GET ON BOARD THE BONUS TRAIN!

The wheels has moved! The Bonus Train is pulling in at electric appliance dealers' stores filled with bargain buys and bonuses for you! Laundry appliances at special low prices... a bonus with each purchase! From these bargain buys, you can add the laundry appliance you want for a truly modern laundry in your own home. Check the appliances listed here. Choose the ones you need to make your home laundries complete and sparkling... and get on board the Bonus Train!



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RULES ARE SIMPLE

The limited time bonus offer is good only on installations of the appliances listed here. Purchases must be made on or after October 22, 1964. Appliances must be installed on our lots. This offer applies to residential customers only.

SPECIAL BONUS OFFERS:

AUTOMATIC ELECTRIC WASHER	\$10
ELECTRIC CLOTHES DRYER	\$15
ELECTRIC WATER HEATER	\$25

LIMITED TIME ONLY

The "Bonus Train" will be here a limited time only! See your electric appliance dealer today. Choose your laundry appliances while he has a wide selection... and collect your bonus form!

TO COLLECT YOUR BONUS

Simply buy and install one or more of the appliances listed here. Bring the sales receipt to our office and pick up your bonus.

Phone
651-6341

EDB ELECTRIC PLANT & BARN GLASSBORO, NEW JERSEY





BOLEB EKE DOWLE

This limited time bonus offer is good only on installations of the appliances listed here. Purchases must be made on or after October 22, 1964. Appliances must be installed on our lots.

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MANFIELD ELECTRIC & WATER SYSTEMS
HARTFORD, CT.



Modernize with an Electric Water Heater

COLLECT A BONUS

**Now Is The Time To Modernize Your Home With
A Modern ELECTRIC Water Heater**

A modern home means living in comfort — in a home that's cool, hot and just the way you want it. And you can have it with the new kind of electric water heater. This popular appliance will give you modern water heating — and you'll collect a bonus with it, too.

Here is the bonus list. It's a valuable one, and you can spend modern dollars on just about any electric water heating, or on all the other modern appliances.

OTHER SPECIAL BONUS OFFERS:

- ☐ Electric Range \$19
- ☐ Electric Dishwasher \$10
- ☐ Freezer or Refrigerator-Freezer \$10
- ☐ Electric Air Conditioner \$10



**BUY NOW* 25
COLLECT**

Include in your home modernization plan:

Modern Electric Water Heater. Available in 30, 40, 45, 50, 60, 70, 80, 90, 100, 120, 150, 180, 200, 220, 240, 270, 300, 330, 360, 400, 450, 500, 550, 600, 650, 700, 750, 800, 850, 900, 950, 1000, 1100, 1200, 1300, 1400, 1500, 1600, 1700, 1800, 1900, 2000, 2200, 2400, 2600, 2800, 3000, 3200, 3400, 3600, 3800, 4000, 4200, 4400, 4600, 4800, 5000, 5200, 5400, 5600, 5800, 6000, 6200, 6400, 6600, 6800, 7000, 7200, 7400, 7600, 7800, 8000, 8200, 8400, 8600, 8800, 9000, 9200, 9400, 9600, 9800, 10000, 11000, 12000, 13000, 14000, 15000, 16000, 17000, 18000, 19000, 20000, 22000, 24000, 26000, 28000, 30000, 32000, 34000, 36000, 38000, 40000, 42000, 44000, 46000, 48000, 50000, 52000, 54000, 56000, 58000, 60000, 62000, 64000, 66000, 68000, 70000, 72000, 74000, 76000, 78000, 80000, 82000, 84000, 86000, 88000, 90000, 92000, 94000, 96000, 98000, 100000.

Includes free delivery and installation. *See dealer for details.

To collect your bonus...

Simply buy your modern electric water heater. Register it with the National Electric Water Heater Manufacturers Association. Then mail in your \$25.00 bill, or the check and your purchase receipt. It's that simple.

"The Electric Water Heater is the most important appliance in the home and the most modern." — The Electric Water Heater Manufacturers Association.

Modernize Electrically.

EXETAC

[illegible]

SEE AND BELIEVE IT!

COLLECT BONUSSES

ANNOUNCING

new bonus prizes program... your highest bonus yet!

Receive long-term value and enjoyment of your dollar when you buy a new **Hoover** vacuum cleaner. You'll receive an extra \$100 in the bonus to help you choose the model you want.

During the "Hoover Bonus Season" program, each prize is awarded according to the value of the prize you choose. And you can win the bonus in only 10 days!

Learning Time Only

You must learn how to use your Hoover vacuum cleaner properly to win the bonus. You'll receive a booklet with instructions on how to use your Hoover vacuum cleaner properly. You'll also receive a booklet with instructions on how to use your Hoover vacuum cleaner properly. You'll also receive a booklet with instructions on how to use your Hoover vacuum cleaner properly.

To collect your bonus

Simply fill out the coupon to receive the bonus. You'll receive the bonus in only 10 days. You'll receive the bonus in only 10 days. You'll receive the bonus in only 10 days.

Prize and Requirements

You'll receive the bonus in only 10 days. You'll receive the bonus in only 10 days. You'll receive the bonus in only 10 days.

SPECIAL BONUS

- ☐ Electric Dishwasher
- ☐ Freezer or Refrigerator-Free
- ☐ Electric Cooktop
- ☐ Electric Range
- ☐ Electric Water Heater
- ☐ Electric Central Air Conditioning

Modernize
with an
Electric Water Heater

COLLECT A BONUS

BUY NOW \$25 COLLECT 75

How is the Time To Modernize Your Home With a Modern Electric Water Heater?

Modern Electric Water Heaters are a tremendous saving in space — as small as 3 feet high and 18 inches wide — and they are the most efficient and economical water heaters available.

Modern Electric Water Heaters are a tremendous saving in space — as small as 3 feet high and 18 inches wide — and they are the most efficient and economical water heaters available.

1. Small in size — compact installation.
2. Modern Electric Water Heaters are a tremendous saving in space — as small as 3 feet high and 18 inches wide — and they are the most efficient and economical water heaters available.
3. Modern Electric Water Heaters are a tremendous saving in space — as small as 3 feet high and 18 inches wide — and they are the most efficient and economical water heaters available.
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ELECTRIC PLANT BOARD
MEMBERSHIP, Etc.

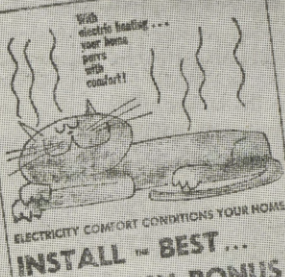

ELECTRIC PLANT BOARD
 GLASGOW, KENTUCKY

1. We have an immediate opening of 10 positions.
 2. Must be an electrical engineer.
 3. Must have 5 years experience in the field.
 4. Must be willing to relocate.
 5. Must be willing to work on a contract basis.
 6. Must be willing to work on a temporary basis.
 7. Must be willing to work on a permanent basis.
 8. Must be willing to work on a full-time basis.
 9. Must be willing to work on a part-time basis.
 10. Must be willing to work on a seasonal basis.

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 Must be willing to work on a full-time basis.
 Must be willing to work on a part-time basis.
 Must be willing to work on a seasonal basis.

ELECTRIC PLANT BOARD
 Birmingham, Ala.





GET A CASH BONUS!

\$10 Per Kilowatt on Permanent Electric Heat

The Electric Plant Board is paying \$10 per kilowatt on permanent electric heat for electric heating systems installed in new homes or existing homes, water heating, etc. No device using a competitive fuel shall be on the premises. (Fireplaces shall not be considered competitive).

FOR ELIGIBILITY the minimum 24 kilowatts before tax approximately 18 A.C. This bonus per kilowatt \$10.00 which you apply to the electric bill.

BE MODERN... Suffer For Nothing Less Than A TOTAL ELECTRIC HOME!

Consult Your ELECTRICAL CONTRACTOR FOR ESTIMATES on a Total Electric System

POWER-LITE
ELECTRIC SUPPLIES, Inc.

Conditions And Requirements For The Awarding Of All Electric Home \$100 Cash Bonus

Princeton Electric Plant Board

A \$100 cash bonus will be awarded residential consumers of the Princeton Electric Plant Board who start the construction of an All Electric Home and or residential consumers of the Princeton Electric Plant Board converting an existing home, using a competitive type of fuel as a source of heat, to an ALL ELECTRIC HOME, provided the following conditions and requirements are complied with:

This offer to be withdrawn at any time at the discretion of the Electric Plant Board.

1. The ALL ELECTRIC HOME must be served by the Princeton Electric Plant Board.
2. All appliances in the home must be electric including heating, cooling, cooking, laundry, water heating, etc. No device using a competitive fuel shall be on the premises. (Fireplaces shall not be considered competitive).
3. A minimum of eight (8) kilowatts of heating capacity shall be installed in the home.
4. An application form, provided by the Electric Plant Board must be completed and signed by the home owner when the electric heating is installed.
5. The \$100 cash bonus shall be awarded the home owner, if the home is built by a contractor for completion, the contractor will be considered the owner of the home.
6. A representative of the Electric Plant Board will be allowed to inspect the home to determine if all requirements of the ALL ELECTRIC HOME have been complied with.
7. In questions concerning validity of claims the decision of the Electric Plant Board will be final.

Princeton Electric Plant Board

CASH OFFER

When you install electric heating...

We are offering you \$10 a kilowatt on cash when you install permanent electric heating in your home. This bonus is available on electric heating systems installed in new homes or existing homes, water heating, etc. No device using a competitive fuel shall be on the premises. (Fireplaces shall not be considered competitive).

The total to the bonus is only dependent by the heating of your home. You will receive \$10.00 for each kilowatt of electric heating installed by the Electric Plant Board on existing or new homes. This is the bonus for your heating installation.

\$10 per kilowatt on permanent electric heat.

Does this offer go against you? No! Because you know you will have a lower cost electrically COMFORT-CONVENIENT your home!

Electricity "hand-manages" your home. Electric heating keeps your family comfortable and healthy. It's safe and the LOW COST electricity COMFORT-CONVENIENT your home!

Electricity "hand-manages" your home. Electric heating keeps your family comfortable and healthy. It's safe and the LOW COST electricity COMFORT-CONVENIENT your home!

SAVE \$15000 ... \$20000
... OR MORE!



Electric Plant Board
OF THE CITY OF PRINCETON, NEW JERSEY

For More Information, Call Our Office-664-4444

(AFTERNOON SESSION, 2 P.M., FRIDAY, JULY 16, 1965)

TENNESSEE VALLEY AUTHORITY

STATEMENT OF HON. ALBERT GORE, A U.S. SENATOR FROM THE
STATE OF TENNESSEE

TELlico AND TIMS FORD PROJECTS

Senator HILL. The subcommittee will kindly come to order.

We are happy to have Senator Gore and Senator Bass with us here this afternoon.

Senator Gore, we would be happy now to have you proceed, sir.

Senator GORE. Mr. Chairman, Senator Ellender, ladies and gentlemen, we have an unusual situation in that TVA recommended and requested the Bureau of the Budget for approval of two worthwhile projects. Unfortunately, as so often the case, the Bureau of the Budget did not approve of the TVA requests.

When it was necessary to choose between the two projects, the Tellico project and the Tims Ford project, the Bureau of the Budget recommended the Tellico project, as does TVA.

The House of Representatives substituted the Tims Ford project for the Tellico project.

Representatives of both projects are here. Neither is fighting the other. Each, for understandable reasons, I take it, expresses primarily an interest in one or the other, but would be happy to see both approved.

Now, the parliamentary situation is this, Senator Hill and Senator Ellender.

The House, having approved Tims Ford, put the Senate in this position. If the Senate bill contains Tims Ford and funds therefor, it is not a subject of conference. What I would recommend, since both projects are worthy, is that the Senate follow the recommendations of TVA and the Bureau of the Budget and approve the Tellico project. I say to you it is my hope that the committee will be a little liberal in the amount of funds and that then there be a real conference between House and Senate, out of which I would be very happy to see both projects approved.

Now, after Senator Bass and Congressman Duncan have made their statements, I have the privilege of introducing my constituents, the spokesmen for the two respective projects.

Senator HILL. Senator Bass.

STATEMENT OF HON. ROSS BASS, A U.S. SENATOR FROM THE STATE OF TENNESSEE**SUPPORT FOR PROJECTS**

Senator BASS. Mr. Chairman, Senator Ellender, Senator Gore, I want to just take 1 minute, because I have already filed a statement with your committee in support of both these projects.

I am of the opinion that the great chairman of this subcommittee, Senator Hill, will work this thing out where it will be to the advantage of all of the interested parties and the TVA. He has been one of the great champions of the Tennessee Valley Authority from its very inception. He has been in the Congress throughout the history of this great valley development.

All I can say is that I am putting all of my confidence in your ability to get the job done and get us both of these projects, Senator. And we appreciate anything you can do to help us.

Senator HILL. I thank you for your kind words very much.

Now, Congressman Duncan.

STATEMENT OF HON. JOHN J. DUNCAN, A U.S. REPRESENTATIVE FROM THE STATE OF TENNESSEE**SUPPORT OF PROJECTS**

Mr. DUNCAN. Mr. Chairman, I have previously endorsed the Tellico Dam in the House committee, and I would like to reiterate everything that Senator Gore and Senator Bass have stated.

I am certainly not in opposition to Tims Ford, and if possible, I would like to see both of the dams constructed.

Two of the three counties that are principally affected by the Tellico Dam are in my district in Tennessee. I think it is feasible. The TVA has made studies on this dam for more than 20 years. I would like to endorse it.

I do have a statement I would like to enter in the record—the same statement I entered in the House.

Senator HILL. Without objection, we will have that appear in full in the record.

(The statement follows:)

TELLICO PROJECT SUPPORT

I am indeed grateful for the opportunity of appearing before this distinguished committee, not only for the purpose of introducing the delegation proposing construction of the Tellico project, but to express my support in behalf of the proposal.

During the last few months, I have conscientiously endeavored to analyze and evaluate the facts as presented—determining the feasibility of the project and its justifiable relationship to the area, State, and Nation.

The Tellico project has been a part of TVA's concept for the development of the Tennessee River system for many years. It is considered to be an integral part of the TVA river control system providing significant regional benefits from flood control, navigation and power generation, and major new industrial opportunities for an important portion of the Appalachian region.

The three counties which would be primarily affected by the project—Blount, Loudon, and Monroe—are industrially far below their capacity and potential. The region has been affected by a heavy out migration of young wage earners because of a lack of job opportunities.

The Tellico project would create new resource assets of a major character to help the area overcome its economic handicaps and increase its economic growth and potential. It is estimated that private investment in new industry will exceed \$265 million during the next 25 years if the project is completed. Such an investment would provide approximately 6,600 new jobs and increase incomes from wages and salaries by \$18 million a year over that offered by present employment opportunities.

Not to be overlooked is the tourist and recreational potential the project will generate. Shoreline developments are expected to total \$5 million within 10 years, with an estimated 1,750,000 visitors annually.

The amount of local taxes involved in land to be purchased by TVA for the project would be replaced entirely by in lieu of tax payments by TVA and the State sharing with the counties a portion of TVA payments to the State of Tennessee. All land later sold by TVA for industrial or recreational development would return to the local tax roll, more than likely at a higher tax valuation than at present.

Since 1933 the Tennessee Valley has risen from an economically starved area to a revitalized industrial region providing a balanced economy. Three decades ago its people were living on incomes less than half of the national average. Industrial growth had lagged and many of the assets needed for industry were missing. Over two-thirds of the valley's people depended on the soil for a living.

Today the valley is an area of growing strength—achieving spectacular economic growth. Average income has increased nearly nine times from 45 to 66 percent of the national average. Since 1933 there has been a net increase of 5,000 manufacturing and processing plants. This phenomenal economic growth can be attributed primarily to the Tennessee Valley Authority and its many beneficial programs.

If the east Tennessee area is to meet economically the future's challenge, it must respond to change. Business and industrial development occurs only when essential characteristics, of sites encouraged by careful planning and manmade changes, are met. Such is the case with the Tellico project.

The development will include such desirable industrial features as a navigable waterway, sizable acreage of reasonably level terrain for economical construction, good access to rail and highway transportation, and an adequate supply of water for industrial processes.

The essential ingredients for an ever-expanding east Tennessee economy are additional employment opportunities, new and/or expanded business and industry, and an increased per capita income of its workers.

In my opinion the Tellico project will assist in producing these desired objectives—stimulating the economic growth and development of the area. The project is another giant step toward creating an industrial potential which will furnish a new and improved economic base for the entire region.

INTRODUCTION OF WITNESSES

Senator HILL. We are very happy to have you here, as we are happy to have Senator Gore and Senator Bass.

Senator GORE. I have not been instructed as to which group would like to appear first. Do you have a list of them?

Senator HILL. According to the list I have before me, first are the supporters of the Tellico Dam. Ray Jenkins, Frank Bird, Dan Thompson.

Senator GORE. Well, it is my pleasure to introduce a very distinguished gentleman, who served here with us as counsel for a very important committee, Mr. Ray Jenkins, of Knoxville.

May I say, Mr. Chairman, there are a few spokesmen for independent groups, such as the Public Power Agency and the Tennessee REA, who would like to make statements. So I would like to ask each group to limit their presentation to about 12 minutes.

Mr. JENKINS. I cannot warm up to the subject in that time.

Senator GORE. Or any subject.

STATEMENT OF RAY JENKINS, ATTORNEY, KNOXVILLE, TENN.

SUPPORT OF TELlico PROJECT

Mr. JENKINS. Mr. Chairman, Senator Ellender, any man would be proud to speak on behalf of a group of fine professional businessmen such as are here representing these two great projects. While I do not speak on behalf of the Elk River project, let me tell you that we are espousing the cause of the Tellico Dam are favorably disposed toward the Elk River Tims Ford project, and we do hope that in the final analysis, this committee will vote an appropriation for both projects.

Now, Senator Gore, I regret to say, brought up the fact that at one time it was my pleasure and privilege to appear before a Senate Subcommittee on investigations some 11 years ago. I am sure that some of you remember that fiasco, and some of you remember it very unfavorably. I have a better client today—certainly not as controversial.

I am particularly interested, Senator Hill and Senator Ellender, in the development of the Tellico Dam area. It is a matter that is close to my heart.

At the beginning I was violently against it, because it so happens I own a farm at the confluence of the two rivers that will be almost completely inundated. I have owned it more than 20 years. It has been developed, and it has been the source of more satisfaction and pleasure to me than anything I have ever owned. And it is a first-class, solid investment.

But when I heard the facts, and when I conferred with these able and distinguished Directors of the TVA—Mr. Wagner, Mr. Jones, and ex-Congressman Smith—I changed my mind. So I am a convert.

I was reared in one of the counties that would be most affected by the development of this dam, and that is Monroe County, in a little town called Tellico Plains.

I want to tell you a very short story to illustrate the dire need that the residents of my hometown are in insofar as work is concerned.

They are a proud, fine, mountain people, who do not want charity, who want jobs. Some time ago a concern, an industrial concern, offered to establish a shirt factory in that town if the factory would be built for them. The citizens of that little town, less than 800 people, raised \$125,000, most of it borrowed money, many widows contributed, and built that little factory that gives jobs to some 200 or 300 people.

LOCAL PER CAPITA INCOME

Now, the University of Tennessee's statistics show that the per capita income of the people in Monroe County is less than one-half of the national income. The per capita income of the citizens of Loudon

County, another county directly affected, is just about exactly one-half of the national income. That in Blount County is three-fourths of the national income. The people are crying for work. They want jobs, factories, they want smokestacks. And the development of the Tellico Dam—these gentlemen tell me—and I want to say for the TVA that in my judgment it is one of the finest and perhaps the finest arm of the Federal Government. It is one agency of the Government that the breath of scandal has never touched. It is not a political pie. All appointments there are made on a merit basis.

ANTICIPATED BENEFITS FROM PROJECT

TVA tells me that if it can construct this dam by the leave of this committee and of the Congress of the United States, it will in the next 25 years result in the building of industries of the value of nearly \$300 million. It is an agricultural economy now, gentlemen, and in the last 12 or 15 years, the income has not increased, it has remained static. It is approximately \$7 million a year. In that length of time the rate of employment on the farms has decreased 50 percent, and outmigration from that area has resulted in more than 15,000 of our young people leaving the tricounty area, Senator, and going elsewhere. They are high school graduates, they are university graduates, they are technicians, they are our principal resource and asset, and we are losing them because it is an agricultural section and there are no jobs available to them.

Now, they say how do we know industry will come there and it would make ideal industrial sites. Well, a survey that has been conducted by the TVA over the course of the last 20 years reveals that area would have every prerequisites, every qualification for the establishment and for the attraction of new industry.

We do not want industry from other parts of the country. We want new industry.

Since the beginning of construction of the TVA projects some 30 odd years ago, there have been established in the Tennessee Valley—resulting in a great benefit to several States—a billion dollars worth of industry.

The Tellico Dam would create, first of all, a waterway, a channel, its shorelines would be on comparatively level land. It is served by a main trunkline of the L. & N. Railroad, going north and south. It is served by a major U.S. highway, U.S. Highway No. 411. And so it would have the sites; they would be available in large acreage, such as is required by industry nowadays.

It would have a waterway, a navigation way, which would link with the commerce of 20 different States. It would have the railroad, and it would have the highway. And it would result in the creation of some nearly 7,000 jobs, and keep in our area the finest asset any country could have, and that is its young manhood and young womanhood.

So much for the industrial feature of it.

As I say, the product of the farm is not needed there, or over the Nation indeed. It is my understanding, Mr. Chairman and Senator Ellender, that we now have stored in this country approximately \$10 billion worth of foodstuffs that we cannot eat, we cannot sell, we

cannot give away, at a cost of storage of hundreds of millions of dollars a year—I do not know how many.

Senator HILL. May I interrupt you there. Here is the chairman of our Senate Committee on Agriculture, Senator Ellender.

Mr. JENKINS. He knows what I am talking about better than I do. Senator Ellender, I do not know how much it is—

Senator ELLENDER. I will not argue with him.

Senator BASS. We have been listening to that for the last 2 days.

Mr. JENKINS. My recollection it is closer to a billion dollars a year than a million dollars a year that we pay to store the foodstuffs.

So much for the industrial feature of it.

JUVENILE CRIME

Now, I am a fanatic on the subject—one subject. I take the position, and I always have—I have certainly in recent years—that the greatest domestic problem that faces our country today is not medicare, and a lot of other things we have been talking about, but crime, and especially juvenile crime. I read everything that J. Edgar Hoover says about it. And it is rampant in Louisiana, and in Alabama, and in Tennessee, and all over this Nation. And the one great—

Senator ELLENDER. Do not overlook the city of Washington.

Mr. JENKINS. So I have heard.

Senator HILL. It takes the prize, I think.

Senator ELLENDER. That is the cesspool of the Nation when it comes to crime.

Mr. JENKINS. The one great panacea, the one great cure in my mind for juvenile delinquency is summed up in two words—parks and playgrounds.

PROTESTS FROM FISHERMEN

Now, you gentlemen have been barraged with protests from trout fishermen in Tennessee who say that this stream is a free stream, where as a matter of fact it is the most controlled river in the United States, having 18 dams on it built by the Aluminum Co. of America since 1917. And there are 8 miles of private trout fishing on the Little Tennessee River, where my farm is located.

In the Great Smoky Mountains National Park there are 600 miles of trout streams.

In the Cherokee National Forest, at the base of which Tellico Plains is located, there are 125 miles of trout streams. And the TVA tell us—their Commissioner of Conservation, or whatever his official title is—that it might impair trout fishing on 8 miles of the Little Tennessee, just below Chillowe Dam—but that it will create the vast lake that will enormously increase bass fishing, sauger fishing, other kinds of fishing, and probably will not impair trout fishing, and that it will afford sites for hundreds and hundreds of water contact sports, of camping grounds, of boating docks, fishing, swimming, recreational facilities, and that by reason of the access of the Great Smoky Mountain Park roads and other interstate highways and the railroads and so forth, a projection shows an area that in the next 10 or 12 years would probably attract 2 million people annually there for recreational purposes, getting the boys and the girls off the streets and giving them an outlet for their energies.

Just from—and that alone—tourism, is our biggest industry in that part of the country.

It is said we would rather have a tourist than a bale of cotton—he is easier picked. [Laughter.]

Senator HILL. The chairman of our Agriculture Committee, and also Senator Bass, take note of that.

FLOOD CONTROL

Mr. JENKINS. Well, of course, I have not talked anything about flood control. The area, the watershed of the Little Tennessee, enjoys the greatest rainfall of any section of the United States except the Northwest. We have an average of 59 inches a year there. And sometimes those rivers get out of control and result in millions of dollars worth of damages.

I remember a few years ago the city of Chattanooga was greatly jeopardized by reason of floods. Navigation—the principal feature. To say nothing of recreation, as I have pointed out.

And lastly, of course, but not least, is the power feature—it will generate approximately 200 million kilowatt-hours of electricity per year, which is in terms of Norris Dam, about half what Norris Dam produces.

So, gentlemen, that is the story.

I have a few statements here I want to file.

(The statements follows:)

SUPPORT FOR TELlico PROJECT FROM PUBLIC OFFICIALS

SWEETWATER, TENN., July 15, 1965.

HON. LISTER HILL,
Senate Appropriations Committee,
Public Works Subcommittee,
Washington, D.C.

DEAR SENATOR HILL: Due to my absence from the office for 2 weeks, I have been unable to arrange to be in Washington for the hearings concerning the proposed Tellico project on July 16. Feeling as I do that this matter will have a far-reaching effect on our county and the entire middle-east Tennessee area, I feel it proper to advise your committee as to some of the thinking of the people of our county.

Our quarterly county court has taken no action concerning the Tellico Dam due to the fact that several of our members are directly affected, and as county judge I have, consequently, made no official statement concerning my own personal feelings. It appears to me after many conferences and discussions with various individuals and groups over the county, that approximately 65 to 75 percent of our population favors the project and this percentage would probably apply to our court.

It appears that upon consideration of all the facts and circumstances surrounding this controversy that this project would make an important contribution to the overall economic development of our area. A project of this nature will, of course, work a hardship on certain individuals, but when one reflects upon the tremendous impact that TVA has had upon east Tennessee, we could expect that the boost to our economy would outweigh the disadvantages.

One of the main causes of dissatisfaction here appears to be the system by which the landowners' compensation is determined in those cases where negotiations have been unsuccessful. As an attorney, I would recommend that a study be made to revise the present condemnation system.

It is my observation that a majority of the people of my county would welcome affirmative decision on this matter.

Yours very truly,

J. LEWIS KINNARD,
Monroe County Judge.

TENNESSEE EXECUTIVE CHAMBER,

Nashville, February 8, 1965.

Dr. W. D. THOMPSON,
President, Tellico Tricounty Development Association, Inc.,
Lenoir City, Tenn.

DEAR DR. THOMPSON: My staff met earlier this week with Mr. Van Mol and other representatives of the Tennessee Valley Authority in an effort to more clearly define a better working relationship between agencies of the State of Tennessee and TVA with particular reference to the tributary area development division. The Little Tennessee and Tellico projects were among the subjects of discussion.

We certainly recognize the importance of water resources development in our State and want to both support and assist in projects which will enhance the economic opportunities of our State.

The TVA has had the support of this administration since my first term of office and I shall be pleased to continue this support in the future.

Sincerely yours,

FRANK G. CLEMENT, Governor.

[From the Knoxville News-Sentinel, July 15, 1965]

CLEMENT JOINS TELLICO BACKERS

(By Dana-Ford Thomas, News-Sentinel Nashville Correspondent)

NASHVILLE, July 15.—Gov. Frank Clement today told Knox County supporters of the proposed Tellico Dam that the project has his wholehearted support, and gave his authority to convey his stand to the Senate Public Works Subcommittee.

Governor Clement said he feels that both the Tellico project and the proposed Tims Ford Dam in middle Tennessee are of great importance to the State's economy and to the need for expanding recreational facilities in the State.

The Governor's telegram was addressed to Sexter Willis and Aston Kennedy of Knoxville. The telegram reads:

"Based on my past record, you know that I wholeheartedly support the entire TVA system and projects related thereto. I feel strongly that both the proposed Tellico Dam and Tims Ford Dam projects are valuable and much-needed additions to the system. You have my complete clearance to convey these feelings to the Senate Public Works Subcommittee. TVA has contributed substantially to the economic development and recreational attractiveness of our area, and both of these proposed projects have my unqualified endorsement and support."

[From the Knoxville News-Sentinel, July 15, 1965]

McSWEEN FOR NEW DAM ON LITTLE T

(By Dana-Ford Thomas, News-Sentinel Nashville correspondent)

NASHVILLE, July 15.—The proposed Tellico Dam has long been needed, and if approved and built by TVA, would turn one of the State's most historical areas into one of the most beautiful recreational areas, a member of Gov. Frank Clement's cabinet said yesterday.

Commissioner Donald McSween, of the department of conservation, on returning from "Tennessee Day," at the World's Fair where, in a speech, he told of the State's many vacation areas, said he has long been in favor of seeing old Fort Loudoun and the surrounding area made into a park. He said the proposed dam, if built, would make this possible.

"I speak for neither the Governor, nor his administration," McSween said, "but it is my personal position that the building of Tellico Dam would be a boon to its immediate environs, and would have a most favorable effect on a far wider area."

SITE PRESERVED

McSween said much of the controversy over the project seems to disappear when all the benefits of the project are considered.

"I hope funds for a start of the dam's construction are approved by the Congress at the earliest possible moment," the commissioner said.

McSween said he had not spoken publicly on the subject recently, but that some 2 years ago when asked about the possibility of such a project, he said then that he would favor it.

"I satisfied myself that the site of historic Fort Loudoun would be preserved by TVA," McSween said. "It would, in fact, stand on a point of an island of several hundred acres, and would provide a setting for a combination historical and recreational park unparalleled in this part of the country."

TVA ESTABLISHED PARKS

McSween said that conservation in Tennessee rightly concerns itself with recreational parks as well as with preservation of the wilderness areas, but that with the pressing requirements already facing the State (in these areas) in 1965, it is important now to look toward the greatly increased need to conserve the wilderness areas in the next few decades.

"And in doing this," the commissioner said, "we must think and act according to what the facts and judgment shows to be the best for the greatest number of citizens."

He recalled that Tennessee has several parks now well established on lands that were, at least in part, made recreational areas by TVA, and then turned over to the State.

"In the hands of TVA, and such other Government units to which that agency has historically entrusted its projects," McSween said, "the needs and the interests of the majority will be protected."

MONROE GROUP FAVORS DAM

MADISONVILLE, July 15.—A majority of Monroe County court members favor construction of TVA's Tellico Dam. That was shown today in a poll taken by members of the Tellico Tricounty development last night and early today.

Just as in neighboring Blount County, a majority were spurred on by formation of a Knoxville group dedicated to the project which they say would mean so much to the area.

These members contacted in Monroe said they would support a resolution in favor of the project: Charles Hall, R. B. Hamilton, Lewis Evans, Emerson Hunt, Sam Monger, Ross Pesterfield, Earl T. Atkins, Cara Keeble, and Zeke Amburn. Two other members of county court said they would vote for such a resolution, but prefer that their names not be used. They make the total 11 out of 16 who support it.

Those taking the poll could not reach all members of county court, some of whom were at work. One not contacted was Claude Hammontree, who is on the board of the Association for the Preservation of Little Tennessee River—a group opposed to the project.

Squire Charles Hall, who is also mayor of Tellico Plains, has already been to Washington on two occasions in support of the Tellico project and will be with the group flying to Washington Friday.

Sweetwater Mayor Nathan Harris reportedly favors the Tellico Dam, but it was not known if he is going to Washington.

Madisonville Mayor Paul Anderson favors it and is going.

JULY 13, 1965.

Re TVA Tellico project.

SENATE PUBLIC WORKS SUBCOMMITTEE,
Washington, D.C.

GENTLEMEN: I respectfully request that you approve funds in your 1965 budget for the Tellico project.

I am a member of the Loudon County court and we are faced with providing funds for improved schools, roads, law enforcement facilities, health and welfare, and many others. The economy is lagging in our county and the unemployment rate for this year is over 7 percent. Over 80 percent of our high school graduates must go elsewhere for employment. We have many families on welfare and

many who receive surplus commodity foods. We desperately need a boost in our economy.

Your consideration of starting the Tellico project will be greatly appreciated by the majority of the people of our county.

Very truly yours,

J. J. BLAIR,
Member, Loudon County Court.

JULY 13, 1965.

Re TVA Tellico project.

SENATE PUBLIC WORKS SUBCOMMITTEE,
Washington, D.C.

GENTLEMEN: Being a member of the Loudon County court gives me an opportunity to be familiar with the many problems facing our local government. Some of our greatest problems are unemployment, lack of number of jobs at present, and nothing being done in locating new industries or expanding present ones; high school graduates having to leave our county for employment elsewhere and the number of low-income families in our area.

The Tellico project would provide a much-needed boost to our economy for the next 2 or 3 years. When the project is completed it would also make available many acres for industrial sites. It would add to our tourist trade, plus many other advantages as outlined in the study made by the Tennessee Valley Authority.

I heartily recommend your approval of this project, and request that you include funds in your 1965 budget as requested by TVA.

Very truly yours,

IDUS D. CONNER,
Member, Loudon County Court.

JULY 13, 1965.

Re TVA Tellico project.

The SENATE PUBLIC WORKS SUBCOMMITTEE,
Washington, D.C.

GENTLEMEN: As a member of Loudon County court and as chairman of the Loudon County Industrial Committee I have had the opportunity to work closely with the overall economic development survey group, and others, in trying to encourage industrial expansion and growth in our county. We desperately need more jobs for our present unemployed, as well as help create more jobs for our young people who are graduating each year from high school.

This year we had 488 students, 261 boys and 227 girls, to graduate from our three high schools in Loudon County. It is estimated that less than 10 percent of these graduates will be able to find employment in Loudon County. At present, we have two new high schools under construction; the new Loudon High School, at a cost of \$1,310,000 and the new Lenoir City High School, at a cost of approximately \$2 million.

The county unemployment rate for 1965 is 7.6 percent and is seasonal. In recent months it has risen as high as 12 percent. Our present industrial sites are limited because of the availability of the land and the price being asked by the individual owners.

The Tellico project would lend a tremendous boost to our economy in the next 2 or 3 years, plus making land available for industrial sites at a reasonable cost. There will be many additional advantages as pointed out by the study made by the Tennessee Valley Authority.

I heartily recommend your consideration of including in your budget the funds requested by TVA to start the Tellico project in 1965. I will be happy to assist in any way on this project.

Very truly yours,

H. ROSS WILKERSON,
Member, Loudon County Court.

STATEMENT OF WILLIAM TOWERS, PRESIDENT, TENNESSEE RURAL ELECTRIC
COOPERATIVE ASSOCIATION

Mr. Chairman, I am appearing here today on behalf of the members of the 22 rural electric cooperatives in the State of Tennessee, all of which purchase

electricity at wholesale from the Tennessee Valley Authority. TVA sold over 4 billion kilowatt-hours of electricity to cooperatives in Tennessee in 1964 at an average wholesale cost per kilowatt-hour to the cooperatives of 4.56 mills.

Because low-cost power is available to the farms of our State, the average annual use of electricity in rural homes was 8,000 kilowatt-hours last year, compared to the national average of 4,700 kilowatt-hours for farm homes. Thus, the rural people of Tennessee are deriving a direct benefit, in terms of a higher standard of living, from the TVA. We hope that the Authority will continue to grow in an orderly way and to supply the power needs of the valley as efficiently in the future as it has in the past.

In order to do this, TVA must develop fully the power resources of the valley, including the hydroelectric resources. It was for this purpose that the President requested, in his budget, the sum of \$5,775,000 to begin work on a large new multipurpose dam and reservoir—the Tellico project in eastern Tennessee, near Lenoir City. The estimated total cost of Tellico is \$42.5 million. It would create a reservoir extending 33 miles up the Little Tennessee River to Chilhowee Dam, providing important benefits from flood control, navigation, and power. At the same time, it would create useful shoreline sites for industrial and recreation developments.

Tellico itself will have no powerhouse, yet it will make an important contribution to TVA's power supply. A short canal connecting the new dam with Fort Loudoun Lake will not only permit barge navigation on the Little Tennessee, but will make possible the diversion of water from the Little Tennessee to increase power production at Fort Loudoun Dam. The project also will more than double the present flood control storage provided by Fort Loudoun.

The Tellico project has obvious merit. It has been proposed by the TVA staff, a group of able and dedicated public servants which over the years has built up a reputation for careful planning and efficient management.

The members of Tennessee's rural electric cooperatives were shocked, therefore, to learn that the House Appropriations Committee has disallowed the budget request to begin construction of Tellico.

The Tennessee Rural Electric Cooperative Association urges the committee to reverse this action by the House and to approve the President's request for \$5,775,000 to initiate construction of Tellico Dam. The "further study" recommended in the House report could not be expected to have any effect on local opposition to the dam, which is based upon the natural reluctance of some landowners to part with their land. This is a factor in construction of any dam, on any river, and has to be weighed against the benefits to a far larger number of people. Restudy simply puts off the decision; it does not make it any easier.

It should be pointed out that Tellico has been under study for many years. In fact, TVA requested funds for the project for the 1943 fiscal year and Congress appropriated money for a start of construction. Because of a shortage of critical material during the war years, however, construction did not get underway. It has been under study ever since, however, and the need for further study does not seem to be justified at the present time.

Tellico Dam will add about 200 million kilowatt-hours to the TVA supply at Fort Loudoun powerplant if the dam is built. This is more than half the yearly output of Norris Dam, and it is a significant addition to the region's power supply. The 22 rural electric cooperatives which are entirely dependent upon TVA for their power supply strongly urge your committee to authorize the appropriation of funds to start construction this year on this important project. The economic feasibility of the project has been demonstrated by TVA, with power benefits estimated at \$8 million. The cost-benefit ratio of the project is 1.4 to 1. The power is needed now.

LENOIR CITY, TENN., July 13, 1965.

Senator LISTER HILL,
Chairman, Senate Public Works Subcommittee,
Washington, D.C.

DEAR SIR: The Tellico Dam project comes before your committee in the very near future for your consideration. This matter is of vital importance to the Lenoir City, Loudon County, and surrounding area.

After you have all of the facts before you relative to this project, if you can see your way clear to support this project, please let me urge you to do so.

Thanking you for your support in this matter, I am,

Yours very truly,

T. F. INGRAM, *City Attorney.*

LENOIR CITY, TENN., *July 13, 1965.*

Senator LISTER HILL,
Chairman, Senate Public Works Subcommittee,
Washington, D.C.

DEAR SENATOR HILL: I would like to take this opportunity to request your support and endorsement of the Tellico Dam project which is to come before your committee in the near future.

This project will have an immediate impact on the economy of our community, and the industrial potential of this project is most encouraging. The long-range plan which TVA has for this area will affect not only Loudon County but all of east Tennessee in industrial and economic growth.

So, therefore, I again respectfully request that you give this matter your earnest consideration.

Yours very truly,

HENRY C. FOSTER, *Recorder-Treasurer.*

RESOLUTION

Whereas the Tennessee Valley Authority proposes to build the Tellico Dam across the Little Tennessee River creating a navigable channel to the vicinity of Vonore, Tenn., and in addition, plans to reserve approximately 5,000 acres of land for the use and benefit of industry; and

Whereas the construction of said dam would be a great benefit to Monroe County, and to the town of Madisonville by providing an opportunity for industrial growth and, in turn, jobs for the people of this area; and

Whereas the recreational opportunities in Monroe County would be increased by the construction of said dam; and

Whereas it is our desire to express the desires and hopes of a great majority of the people: Now, therefore, be it

Resolved by the Board of Mayor and Aldermen of the Town of Madisonville this day duly assembled does hereby go on record and publicly endorses and supports the Tennessee Valley Authority and its Tellico project; and be it further

Resolved. That a copy of this resolution be furnished in the local newspapers for publication and be sent to all U.S. Representatives and Senators who may be in such a position as to assist the appropriation of Federal funds for the construction of the Tellico Dam.

Witness my hand and official seal this 6th day of July 1965.

PAUL W. ANDERSON, *Mayor.*

Attest:

J. J. RICHARDS, *Recorder.*

[From the Knoxville News-Sentinel, July 11, 1965]

ROGERS ADDS MOMENTUM TO TELLICO DRIVE

MAYOR HOPES TO TESTIFY AT SENATE HEARING

Mayor Leonard Rogers has thrown his personal endorsement of TVA's proposed Tellico Dam into the mounting drive in favor of the \$42,500,000 project near the mouth of the Little Tennessee River.

Declaring the dam an economic benefit to east Tennessee and to Knoxville, the mayor said that if he possibly could so arrange his schedule, he would go to Washington to testify in behalf of the project.

WORTH SUPPORT

Several leaders from the Knox-Loudon-Blount-Monroe County area have joined hands in pushing for the dam and plan to attend a Senate Appropriations Subcommittee meeting in Washington Friday to testify in favor of the project.

"I want to add my endorsement to the Tellico project as one worth the support of the citizens of Knoxville and east Tennessee," the mayor said last night. "This dam has been in TVA's program for some time, and I understand the generators put into Fort Loudoun Dam were built so as to handle the water from the Little Tennessee (via a connecting canal)."

OTHERS JOIN

"I am glad to add by endorsement to the efforts of those who are interested in supporting TVA and this project. TVA has meant much and will continue to mean much to Knoxville and I believe we should give it our wholehearted support."

"It seems to me that this project will benefit this area, and anything that benefits east Tennessee will ultimately benefit Knoxville."

A group of Knoxville leaders last week announced the formation of a group to support the building of the dam, and several Lenoir City leaders Thursday joined the Knoxville group.

"If I can arrange my schedule and they feel I can be of service, I will go with them to Washington," Mr. Rogers said.

The dam's supporters will get another boost July 19, the News-Sentinel learned last night. Knox County Quarterly Court will adopt a resolution urging the dam's construction.

"A poll of the 19 squires on behalf of the proposed resolution was virtually unanimous," a member of the court said. "Only one squire objected at a show of hands this past week."

The squire said a resolution had been prepared months ago for the court's consideration, but somehow it never got on the agenda for the regular meeting.

"WAITED TOO LONG"

"The resolution will urge in strongest terms possible that the Congress provide funds to begin construction of Tellico Dam," the squire said.

"Many of us in Knoxville have already waited too long to join this fight that will help our area economy and provide ultimate overall benefits for all of east Tennessee, the State, and Nation."

MARYVILLE, TENN., *July 12, 1965.*

HON. LISTER HILL,
*Senate Office Building,
Washington, D.C.*

DEAR SENATOR HILL: I own approximately 200 acres of land in Monroe County, Tenn., lying along both sides of the Little Tennessee River. I am a member of the Monroe County court where it has been my privilege to serve for many years. For these two reasons I am very much interested in the progress of the Tennessee Valley Authority, and especially in their proposed Tellico Dam on the Little Tennessee River.

It is my belief that the Tellico Dam project will not only create jobs during construction of the Tellico Dam and Lake but also it will attract new industry and soon open up many new job opportunities for our fast diminishing population. The outmigration of good young workers from this region is appalling. My own sons and sons-in-law have left here for work elsewhere. In the end we lose these good young people as citizens and taxpayers.

I believe the Tellico Dam project will bring about great benefits to all of the people in this area. I am writing to you to ask your assistance to approve an appropriation for the TVA Tellico Dam in this year's budget now pending.

Very respectfully,

R. Z. AMBURN.

STATEMENT BY RONALD P. SAYLOR, EXECUTIVE DIRECTOR, MONROE COUNTY
INDUSTRIAL DEVELOPMENT ASSOCIATION, SWEETWATER, TENN.

INTRODUCTION

This report and statement has been prepared at the request of the Tellico Tri-County Development Association, Inc., for presentation to the Senate Ap-

propriations Committee, Subcommittee on Public Works in support of construction of the proposed Tellico Dam on the Little Tennessee River near Lenoir City, Tenn.

The author has in excess of 10 years experience in industrial and community development work. He holds a bachelor of science degree from the University of Chattanooga, with a major in industrial engineering.

The author's professional background:

1. Assistant industrial director, Industrial Committee of 100, Chattanooga Chamber of Commerce, Chattanooga, Tenn.
2. Director, industrial activities, Johnson City Chamber of Commerce, Johnson City, Tenn.
3. Manager, Union City-Obion County Chamber of Commerce, Union City, Tenn.
4. Industrial engineer, West Tennessee Industrial Association, Jackson, Tenn.

He is presently employed as executive director, Monroe County Industrial Development Association, Sweetwater, Tenn.

Professional associations of which he is a member are:

- American Industrial Development Council.
- Southern Industrial Development Council.
- Senior member, American Institute of Industrial Engineers.
- First vice president, East Tennessee Industrial Council.

TELLICO PROJECT

Within the framework of the proposal of Tennessee Valley Authority to construct Tellico Dam (Fort Loudoun extension) on the Little Tennessee River, near Lenoir City, Tenn., there are a number of justifications. The Tennessee Valley Authority has cited the economic benefits to be realized through additional electric power which could be generated, extension of the inland navigable waterway system, and increased flood control programs.

The Tennessee Valley Authority has also illustrated the economic benefits to the area which can be realized through increased industrial development. Critics of the project have claimed TVA should not use industrial development benefits as economic justification for this project. However, it must be remembered the original act of Congress creating the Tennessee Valley Authority specifies the Authority should work toward the total development of the full resources of the valley.

It must be pointed out the industrial development program which would result from this project cannot be a haphazard approach. It will require careful planning and coordination with State and local planning and development groups. Industry requirements for sites of this nature are rather complex. This will be illustrated in a number of following paragraphs.

The 5,000 acres which TVA proposes to acquire and develop for industrial sites will bear several unique advantages. Of primary interest is the fact the acreage will be in two single tracts of land divided only by the waterway. Under present conditions, all land adjacent to the river is in multiple ownerships and in small acreages.

It must also be recognized the same land now adjacent to the river does not have the unique advantage of a navigable waterway. Furthermore, present land suited to industrial development would not be covered by reservoir waters.

At the present time, it is well known to various industrial development agencies and management consulting firms which specialize in industrial location studies that the Little Tennessee River does not have a channel which will sustain barge transportation. As a result, all studies for barge-oriented sites are concentrated in other areas.

It has been pointed out that a study shows there are 53 major navigable waterway sites in the State of Tennessee. What has not been pointed out is that many of these sites are remote from the Tellico area—in fact, a number of these are on the Mississippi and Cumberland Rivers and have no economic benefits to the Tellico area.

Industrial location on a navigable waterway is desirable for one or more of the following purposes:

- (1) Receiving raw materials in bargeload quantities.
- (2) Shipping semiprocessed materials in bargeload quantities.
- (3) Receiving semiprocessed materials in bargeload quantities.
- (4) Shipping fully manufactured goods in bargeload quantities.

Many industries which will require barge-transportation services for plant location will also require use of large volumes of water for cooling purposes or in the manufacturing process.

The areas of east Tennessee in and around Knoxville have not kept pace with waterway oriented developments in other southeastern areas along the Tennessee River. Hammer & Co. Associates, in a report to the Metropolitan Planning Commission of Knoxville and Knox County, cited a number of reasons for the lack of development, including an inadequate supply of available sites. The report also carries the following observations as to future development:

"On the other hand, changes are taking place that could well open up a potential which is not obvious at the present time. The completion of the interstate highway from Knoxville across the mountains to Asheville, and the industrial Piedmont immediately beyond offers some specific prospects for water-based industrial development in the Knoxville area. In part, these prospects might be based upon the transshipment of products by truck between Knoxville and the Piedmont region; equally as important, the interstate highway might be a major factor in stimulating the expansion of industrial plants whose primary connection with the Knoxville port might be by rail.

"Certain types of products to and from the industrial Piedmont and the Midwest might flow across this new corridor.

"There is reason to anticipate, in addition, that the complement of industrial plants in the great valley of east Tennessee will be substantially expanded in the years ahead. Out of this new industrial concentration might well develop substantial tonnages of freight for which the water route via Knoxville might have competitive advantages. It is recognized, of course, that the development of transportation facilities in and around Knoxville could also directly result in the lowering of rail and truck freight charges with the consequence that the competitive advantages of water transportation would be reduced.

"This entire subject of waterway potential in the Knoxville-Knox County area should receive additional intensive study. These studies should include: (1) A comprehensive survey of existing and potential industries to the east and southeast and within the great valley, (2) a determination of the specific types and tonnages of inbound and outbound freight that will be generated, (3) identification of the cost equations involved in different modes of transportation to and from points of supply and destination, (4) analysis of the role and ownership, whether public or private, of a port facility in Knox County, and (5) a determination of waterfront industrial land needs and the methods of reserving and financing such land reservation."¹

The Tennessee Valley Authority's role in this project is quite unique, in that a joint State-local planning group is being formulated to determine which areas carry the best potential for full development of land use resources. In this activity, the TVA will serve in the capacity of a technical adviser, the final determination is to be made by the joint State-local committee.

Furthermore, there is no indication that TVA will be in competition with private developers or in dictating where industry may locate. It is very apparent the TVA role is that of a "partner in the program of development." It is well known to professionals in industrial development that an industry will locate where the manufacturing operation is most suited to economic environment.

As illustrated in the introduction to this statement, the author has had over 10 years' experience in industrial and community development programs. During this period, there has never been any evidence that TVA is attempting to gain control of the valley's industrial and commercial development or to compete with community industrial development groups. In fact, the opposite has been the example. TVA staff personnel have been called upon for technical assistance and resource data in programs throughout the valley region. This assistance is deeply appreciated.

Personal experience has shown that developments such as the proposed Tellico industrial area do not attract migrant industry. The nature of the manufacturing operations which require large acreages on navigable waterways are permanent installations and are not relocated from one area to another. These operations are new plants constructed in order to meet the demands of new markets as they develop.

¹ "The Economy of Metropolitan Knoxville," prepared for the Metropolitan Planning Commission of Knoxville and Knox County by Hammer & Co. Associates, 1413 K St. NW., Washington, D.C., November 1962, pp. 180-181.

While during recent years, the area has not lost industry, at the same time industrial growth in Blount, Loudon, and Monroe Counties has not kept pace with the growth rate of the Southeast. Between 1950 and 1960, the population of these three counties had an actual increase of 2 percent as compared with 8 percent increase for the State of Tennessee. Monroe County showed a decrease during the decade of 4.9 percent. During the same period of time, the area showed a large increase in the number of families; yet at the same time, the number of persons in the 20 to 40 age group (or in prime income producing years) declined by 4,727 or 15.4 percent. This can only be a result of the lack of employment opportunity. Other statements made in connection with support of this project indicate the level and comparison of family income in the three-county area. These statements, again, reflect that manufacturing growth has not kept pace with other areas in the Southeast or in the Nation.

There are other benefits which will be generated by this project which will aid in the industrial development programs of the three-county area. Nonwater-front industrial sites can be developed to sustain satellite industries which will sell materials to industry within the major complex or which will further process goods purchased from within the complex. It is common experience that adequate supplies of electric power are a necessity in industrial location. The additional generating capacity of Fort Loudoun Dam will insure this. The majority industrial management is concerned about the recreational facilities available to employees. This project will open up many new facilities not now immediately available. As a complement to the recreation program will be the attraction of tourist and vacationers to the area. At the present time, the U.S. Forest Service is constructing Indian Boundary Recreation Area near Tellico Plains, Tenn. This facility is designed to be capable of sustaining 5,000 persons at any one time.

Opponents of the project have claimed the Little Tennessee River has the potential of any stream in the Eastern United States for trout fishing. That being the case, it seems odd that all trout taken from the stream below Chilhowee Dam are not native trout, but fish planted by the Tennessee Game and Fish Commission. The author has had occasion to observe and compare fishing along the Little Tennessee River and along the Tellico River above Tellico Plains in the Tellico Wildlife Management Area. These observations indicate that Tellico River attracts a larger number of fishermen than does the Little Tennessee.

Considering the pertinent factors concerning this project, it is apparent to the author that the overall benefits to the public and particularly those residents of Blount, Loudon, and Monroe Counties are of significant amount. Numerous businessmen and civic organizations in the area, recognizing the need for economic development in the three-county area, have formally indicated support and endorsement of construction of Tellico Dam. The board of directors of the Monroe County Industrial Development Association have endorsed the project. The responsible support of the project is evidenced by those in attendance at this hearing.

COMMUNICATIONS FROM PROPERTY OWNERS

TELICO PLAINS, TENN., *July 14, 1965.*

SENATE SUBCOMMITTEE ON PUBLIC WORKS,
Washington, D.C.

GENTLEMEN: As owner and operator of a 600-acre farm, lying along the little Tennessee River, I am urging you to approve an appropriation for the TVA Tellico Dam project. This construction of a lake will take about a third of my land; however, the many benefits to the people in this area are to have first consideration. Please approve the request of TVA for an appropriation to begin work this year on the Tellico project.

Yours sincerely,

CHARLES BLALOCK.

LOUDON, TENN., *July 14, 1965.*

SENATE PUBLIC RELATIONS COMMITTEE,
Washington, D.C.

DEAR SIR: We urge you to include appropriations for the Tellico project in this year's budget. We own 368 acres on the river, and we love to live here, and we will never find another place that suits us as well as this, but we are fully in favor of the project.

The construction of the dam will give much-needed employment to this area, and industry that is bound to follow will give our young people some hope for the future. As it is, all of our promising young people must leave this community in order to find employment of any promise. Agriculture is no longer profitable, and we do not want to preserve the poor tenancy that accompanies a decaying agricultural industry.

The Tellico project would revitalize a vast area that has declined as an agricultural community, but as it now stands has little hope for the future. The majority of the people are in favor of the dam, and have looked forward to its construction for the many years that it has been pending as more or less of an unfinished job.

Again, let us urge you to consider this project favorably, because it will mean so much to this depressed area.

Yours truly,

J. W. VANCE,
MARY L. VANCE.

KNOXVILLE, TENN., July 10, 1965.

PUBLIC WORKS SUBCOMMITTEE,
U.S. Senate, Washington, D.C.

GENTLEMEN: I would like your approval of TVA's request for funds to start construction on the proposed Tellico Dam on the Little Tennessee River near Lenoir City, Tenn.

I am owner of farm property that will be inundated if project is built.

Sincerely yours,

ROY G. STIPE.

LENOIR CITY, TENN., July 12, 1965.

PUBLIC WORKS SUBCOMMITTEE,
U.S. Senate, Washington, D.C.

GENTLEMEN: I urgently request your approval of funds for TVA to begin construction of Tellico Dam on the Little Tennessee River. This project is vital to the economy of the area. I own and operate a 410-acre farm near the mouth of the Little Tennessee River.

Yours very truly,

FERD W. STIPE.

KNOXVILLE, TENN., July 12, 1965.

PUBLIC WORKS SUBCOMMITTEE,
Washington, D.C.

GENTLEMEN: I am a landowner in the area of the proposed Tellico Dam, and I fully endorse the TVA Tellico project because of the progress that could result from such a project. Your support will be appreciated.

Very truly yours,

GLEN C. TATE.

GREENBACK, TENN., July 10, 1965.

SENATE PUBLIC WORKS SUBCOMMITTEE,
Washington, D.C.

DEAR SIR: We have a 210-acre farm which will be effected by Tellico Dam project and we assure you we are in favor of this project for economic development of this area.

We have put seven boys and girls through the Laudon High School and sent six to college, none of which were able to obtain employment in this area.

Yours truly,

HENRY McDONALD.
ELLA BELLE McDONALD,

JULY 9, 1965.

SENATE PUBLIC WORKS SUBCOMMITTEE,
Washington, D.C.

GENTLEMEN: I am the grandparent of 12 grandchildren and it is my desire, not only for my grandchildren but for all of our young people to have an op-

portunity to earn a livelihood in this valley if they should choose to remain here. Unless we create more jobs through industrial development this will not be possible. As a landowner along the Little Tennessee River I am in full support of the Tellico project, as this is a progressive step forward in alleviating the lack of jobs for our young people.

I ask your support and influence in getting this project started this year.

Sincerely,

Mrs. J. Q. THOMPSON.
KNOXVILLE, TENN.

SENATE APPROPRIATIONS SUBCOMMITTEE,
Washington, D.C.

GENTLEMEN: I am a landowner on the Little Tennessee River, and I want to add my support to the Tellico Dam project. This dam would give this area a much needed shot in the arm.

This is a small farm area, and produces very little produce for the market.

What we need in this area is an opportunity to develop our large industry resources.

Respectfully,

THOMAS T. WATTS.
LENOIR CITY, TENN.

SENATE PUBLIC WORKS SUBCOMMITTEE,
Washington, D.C.

DEAR GENTLEMEN: We want the Tellico Dam to be built.

The building would encourage industrial growth in this section of the country. It would also increase the amount of electricity generated by the equipment at Fort Loudoun Dam. This could be accomplished without adding additional equipment. Tellico Dam would also contribute to flood control in this section. We want Tellico Dam.

Mr. and Mrs. HUBERT SMITH.

MARYVILLE, TENN., July 12, 1965.

HON. CARL HAYDEN,
Chairman, Senate Appropriations Committee,
Washington, D.C.

DEAR SENATOR HAYDEN: My farm in the Fifth Civil District of Monroe County, Tenn., on the south bank of the Little Tennessee River consist of some 300 acres and was the old Cherokee Indian Capital, know as Echota (or Chota). I have owned this land personally for 53 years and it was owned prior to that for 80-some years by my ancestors who acquired it by a Government grant. To my knowledge there have been no Indians of the Cherokee Nation even visit this property or show any concern whatsoever during my lifetime or during the lifetime of my parents. However, just recently Associate Justice Douglas and several members of the Preservation of the Little Tennessee River Association along with two or three Cherokee Indians from the North Carolina Reservation came upon this property without any permission from me or my foreman who lives on the property. Therefore, I should like to present to you the following important facts:

1. The ancient capital was destroyed and all the villages burned. The Cherokee Nation was paid for this land by the U.S. Government and, therefore, they have no claim to same in any way.
2. There has been no restoration. All land is either in crops, pasture, or timber.
3. Due to the elevation Chota is not endangered by the Tellico project as proposed by the Tennessee Valley Authority. In fact, the entire property could be preserved with minimum effort.
4. The property has been completely ignored by the Cherokee Nation and it is my opinion that they had to be led there.
5. The several historical societies have deemed it of such little importance that they have not even placed a marker of any kind on same and until just recently have shown no concern.

Further facts concerning other Indians' villages and historical sites of the Little Tennessee River:

1. Fort Loudoun is to be preserved by dikes according to the plans of the Tennessee Valley Authority.
2. Tellico blockhouse is not affected due to high elevation.
3. The villages of Chilhowee and Tallassee have been covered by the Chilhowee Dam of the Aluminum Co. of America, Alcoa, Tenn.
4. The village of Settacco (Citico) has been excavated extensively by Burney Kennedy who collaborated with the University of Tennessee on his findings.
5. The village of Tanasi (Tenn.) which is partly on the southeastern part of my farm, according to information given me by my uncle, Joshua R. Jones, former owner, was investigated extensively by the late Colonel Hoskins. All findings were removed by same.
6. Some remaining mounds along the river are not of Cherokee origin but are said to have been built by the Mound Builders. It is my information that these have been dug into, also.

It is my opinion that the past as exhibited by these holdings do not justify any opposition to the building of the Tellico project. This project is badly needed to help support the needs of the people of this entire region instead of just a few who would live in the past and forget the future.

It is my desire that you put forth every effort in appropriating the funds as set up by the Federal Bureau of the Budget and approved by Lyndon B. Johnson, President of the United States.

Yours very truly,

Mrs. DILLON MONRONEY, Sr.

KNOXVILLE, TENN., July 9, 1965.

SENATE PUBLIC WORKS SUBCOMMITTEE,
Lenoir City, Tenn.

GENTLEMEN: I am writing you concerning the much discussed pro and con Tellico Dam.

I own a 325- to 350-acre dairy farm which is very productive, a short distance from where this dam will be built, having 1-mile frontage on the Little Tennessee River. It hurts me very much to think of disposing of this farm but there still remains a much more important word to me "progress" to keep up with the changing of times.

This is rather a backward country in a sense and this river is not very navigable except in small boats or canoes.

This dam to my opinion would be comparable to injecting a large dose of glucose into a very sick man, in other words discounting what \$40 or \$50 million would be spent in that country. Its impulse would be felt many, many miles around that section, notwithstanding the present and future generations shall reap large amounts of benefits from navigation, flood control, recreation, and manufacturing sources.

I am thoroughly in accord in developing this so-called wild river into a tame progressive project.

With regards,

P. H. CARDWELL, M.D.

MARYVILLE, TENN., July 12, 1965.

SENATE COMMITTEE ON PUBLIC WORKS,
Washington, D.C.

GENTLEMEN: I am writing you in reference to the Tellico Dam project, as proposed by the Tennessee Valley Authority. I own and operate a farm of 620 acres of land along the Little Tennessee River, including an island of 250 acres. I have lived here for more than 30 years and am well acquainted with most of the people who live and own land along this river. All of us will be affected one way or another by the Tellico project. All of us, with but very few exceptions, are in favor of the project. Nearly all of the young workers in the area have left here because there is no gainful employment to be found on the farms here.

Many years ago I served as a member of the Monroe County Board of Education, and all through the years I have continued to be interested in the welfare of our young people. As soon as they complete their education they leave here to seek employment in regions that offer lucrative employment opportunities.

I am asking and making this as an earnest plea for approval of an appropriation in the TVA budget for the Tellico Dam and Lake project. The TVA engineers and planning experts have made studies for more than 20 years and they have completed plans for a most economical development of the resources in this area. These resources have been idle for too many years. Please let us have the plans put into action in this year's pending budget. I shall be grateful to you gentlemen for your approval of the Tellico Dam project.

Very sincerely yours,

Mrs. JAMES G. CARSON.

VONORE, TENN., *July 10, 1965.*

HON. LISTER HILL,
Senate Office Building,
Washington, D.C.

DEAR SIR: As a teacher in Vonore High School for the past 20 years and as principal of Vonore High School for 1964-65, I wish to urge you to consider the immediate construction of the Tellico Dam. Our young people upon graduation from school are forced to seek employment in other States because their own locality is not industrialized.

Many young people, less fortunate than those who graduate, are forced while in school to do part-time work on the marginal farms of their parents. These pupils become discouraged and drop out of school.

I feel that if our greatest natural resource, our young people, were given opportunities for employment at home that both the above situations would be somewhat eliminated.

As a landowner of the area, I feel that our county would advance economically with growth of industry in our area that is endowed with industrial potential, rail and road transportation, manpower and the possibility of water transportation together with many other features desirable for industrial complexes.

I cannot urge you too strongly to support the impending legislation for the construction of this much-needed project on the Little Tennessee River.

I hope there will be no delay.

Very truly yours,

MARGARET I. GARVER
Mrs. S. B. Garver.

KNOXVILLE, TENN., *July 12, 1965.*

Senator CARL HAYDEN,
Chairman, Subcommittee on Appropriations,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HAYDEN: We, as property owners of approximately 600 acres of land situated in Blount, Loudon, and Monroe Counties, plus three large business establishments located therein, are writing to you regarding the proposed Tellico Dam.

While our land would not actually be covered by the water it is adjacent to the area affected. We feel that the construction of the dam would certainly be good for the community and the surrounding area.

Thank you for your consideration and assistance in giving your support for the return of the funds for the erection of Tellico Dam.

Very truly yours,

EARL W. KYKER.
DARIS V. KYKER.

VONORE, TENN., *July 12, 1965.*

SUBCOMMITTEE OF SENATE APPROPRIATIONS COMMITTEE,
Washington, D.C.

GENTLEMEN: I am writing to you to advise that I am in favor of the Tellico project. I am a taxpayer and resident of the community of Vonore, Tenn., and am engaged in the occupation of farming.

I own three farms that will be affected by this project, same being located in Monroe and Loudon Counties. It is my opinion that the project will upgrade the entire area and will thus be beneficial to me also.

I hope you will appropriate the funds for the building of the Tellico Dam so construction can begin as soon as possible.

Very truly yours,

STANLEY KITTRELL.

JULY 12, 1965.

SUBCOMMITTEE OF SENATE APPROPRIATIONS COMMITTEE,
Washington, D.C.

GENTLEMEN: We own 250 acres of farmland which is located on the north side of the Little Tennessee River in Monroe County. This letter is to inform you of our position on the proposed Tellico project. We feel it is a necessary step that must be taken to improve the economic conditions of the people of this region. We sincerely hope you will give this matter close consideration and provide the necessary funds to begin construction as soon as possible.

Furthermore, we would like to inform you that the people of the area do not want any further delay in the necessary action to start this project and any program that would include placing this river in a "wild river" status is opposed vigorously by 100 percent of the landowners along the river.

Yours very truly,

CHARLES C. JONES.
MRS. ELLA JONES.
EVA H. JONES.

MARYVILLE, TENN., *July 12, 1965.*

SUBCOMMITTEE OF SENATE APPROPRIATIONS COMMITTEE,
Washington, D.C.

GENTLEMAN: My family and I have owned a large farm located in Loudon County on the Little Tennessee River since 1898. As this land will be directly affected by the proposed Tellico project, I am writing to you to inform you that we are in favor of the project as there is a dire need for economic improvement throughout the course of this river. There has been no advancement in any way to keep pace with other areas. This is probably due to the fact that no Federal or State funds have been used to help promote this area from a dying agricultural society. Upon inspection you will find that a great deal of this land is either in some type of soil bank, being allowed to grow up in brush, or being used for tax reduction reasons. Consequently, this land is helping only a few private individuals for selfish reasons and is making no contribution to the immediate area and surrounding counties.

It is our hope that your committee will appropriate the necessary funds for starting construction of the Tellico Dam immediately and block any effort to establish a wild river which is complete nonsense.

Yours very truly,

WALTER M. COCHRAN.

ALCOA, TENN.

STATEMENT FOR SENATE APPROPRIATIONS COMMITTEE HEARING

I and my son own and operate a 800-acre farm on the Little Tennessee River in Monroe County, Tenn.

Our information is that approximately 200 acres of our property would be affected by the construction of the proposed Tellico Dam.

I wish to go on record as favoring the project as proposed by the Tennessee Valley Authority involving the construction of the dam and the acquisition of the industrial sites.

My experience has convinced me that the full utility of the industrial sites that will be created can be realized only by the orderly development of them by an agency such as the Tennessee Valley Authority. There would have to be an industrial waste system installed and other facilities which would not lend themselves to adequate development on an owner-by-owner basis.

I have also seen the many difficulties incurred in trying to accumulate and acquire from multiple owners a large tract of land.

While my personal interest would not be served by this project, I am firmly convinced that the public and community benefits are so overwhelming that I should support rather than oppose this project.

I file this statement for this purpose.

This the 7th day of July 1965.

JOHN S. PATRICK.

LOCAL SUPPORT FOR PROJECT

KNOXVILLE, TENN., *July 13, 1965.*

SENATE PUBLIC WORKS COMMITTEE,
Washington, D.C.

GENTLEMEN: Your support of the Tellico project is earnestly solicited and urgently needed by a great majority of the citizens of east Tennessee.

I speak as a contractor with years of experience in the plastering business. This experience, together with the opinions of many of my friends and associates, is the basis for my support of the Tellico project.

We need jobs for our people. This dam is a forward step in the industrialization of the Tennessee Valley that will create these jobs.

Our country was built by pioneers with vision, we must have projects such as the Tellico to continue the American ideal—freedom and opportunity to all.

Sincerely,

HOYLE B. GILBERT.

STATEMENT BY BART O. IDDINS, LOUDON COUNTY, TENN.

I am a resident of Loudon County, Tenn., where I own 730 acres, and lease 265 acres, of land lying along the Little Tennessee River. This land I operate as a dairy farm. This is my primary source of income, being a 125-cow operation producing approximately \$60,000 worth of grade A milk yearly. This milk is consumed on the Knoxville market. This operation is profitable, and affords me and my family a living, along with five employees.

My original thinking about the Tellico project was of a negative nature, since approximately 300 acres of my best land will be required for the reservoir area. The positive benefits of the Tellico project, however, preclude any objections one might have to this project, regardless of personal interests. Only this year my lower lands were flooded, along with those of my neighbors—proof that the flood-control measures afforded by the present dams on the Little Tennessee River are not adequate.

Under present conditions, my three children would probably be able to make their livelihood from my land, but many of my neighbors are not as fortunate as my children are. According to the census, 15,523 people have left our area in the last 10 years—proof that we need more industry to utilize our most valuable asset—our manpower pool.

Ours is an area capable of tremendous growth, provided that facilities are available and conducive to the establishment of industry.

Weighing all these factors along with the other factors involved (low-cost power, recreation, navigation, etc.), I do not feel that I can conscientiously follow any course other than wholehearted support of the Tellico project, regardless of any personal feelings.

We people of Loudon and adjoining counties believe in our area. We are for progress. We want to keep all of our young people with us by doing all possible to enable them to provide for themselves.

Farmwise, we all hate to take good farm land out of production. And yet, in our three-county area bordering the Tellico project, 23,472 acres, according

to Government figures, were held out of production in 1963. Some of this acreage was located within the boundaries of the proposed reservoir. The acreage required for the Tellico project reservoir will be approximately 14,000 acres, leaving a large margin of idle land available to replace the inundated acres. Also, I might point out that on present consumption trends, President Johnson has stated that today we have 50 million acres more cropland than is required to produce all of the food and fiber we can consume, plus all we can export. This excess, together with forthcoming technological advances in agriculture, would all but insure our agricultural future for years to come, in spite of our population explosion.

All of the foregoing statements I sincerely believe; and I am not alone in my stand. The following neighbors and directly involved landowners have empowered me to mention their names in support of this project. Mr. Ray H. Jenkins (520 acres); Mr. J. W. Vance (340 acres); Mr. Roy Stipe (450 acres).

The above people I mention by name, and state that many others feel as we do. Progress is the American way, and we are Americans.

KNOXVILLE, TENN., July 12, 1965.

SENATE PUBLIC WORKS COMMITTEE.

GENTLEMEN: Add my name to the large number of citizens of this area who have already urged the construction of the Tellico Dam. Industrial progress is the lifeblood of our economy, and I feel this project is in the best interest of our area, and our Nation.

Sincerely,

CHARLES K. WOLFENBARGER, D.D.S.

KNOXVILLE, TENN., July 12, 1965.

SENATE PUBLIC WORKS SUBCOMMITTEE,
Washington, D.C.

DEAR SIR: Since I cannot attend in person, I would like this letter to express my support of the immediate starting of the Tellico Dam project as planned by the TVA and included in the budget request. It is my understanding that the TVA planning division already has enough preliminary work done on this project to initiate immediate construction that would greatly improve our employment situation in this Appalachian area. I understand that this same advance planning is not true as related to the Tims Ford project which has been suggested as a replacement for the Tellico project. I am not against the Tims Ford project and I would like to see it built also as soon as the planning for it has advanced sufficiently to allow a start in construction. This should logically follow, since preliminary planning could be accomplished for Tims Ford while actual construction proceeds on the Tellico project.

I respectfully request that this situation be weighed in your deliberations.

Sincerely,

OSCAR L. KING.

KNOXVILLE, TENN., July 12, 1965.

Re Tellico project.

SENATE PUBLIC WORKS SUBCOMMITTEE,
Washington, D.C.

GENTLEMEN: I wish to go on record, with many other east Tennesseans, as favoring the building of the Tellico Dam on the Little Tennessee River. I think the industrial possibilities developed by this project are unlimited.

Cordially yours,

LEON F. LONG.

JULY 13, 1965.

HON. LISTER HILL,
Chairman, Senate Public Works Subcommittee,
Washington, D.C.

DEAR SENATOR HILL: As former commissioner of Tennessee State Department of Conservation and many many years with the U.S. Department of Agriculture, Forest Service, stationed in the Tellico Plains area I am well familiar with the economic needs of the good people of the area surrounding the proposed Tellico Dam project, and with the tourist and recreational potentials available for present and future use. As a businessman and as a conservationist I realize the importance to our area of proper recreational planning for future needs of rapidly increasing populations as well as the immediate need of more and more jobs for our citizens. It is regrettable that population increases and industrial expansions cut heavily into desirable recreational lands but in our rapidly expanding economy this is our way of life.

The proposed Tellico Dam, on Little Tennessee River, will not as a small highly vocal group proclaim, result in loss of recreational facilities but will insure a much more desirable area capable of accomodating thousands of recreation seekers instead of the few that now are seen fishing in the vicinity of Chilhowee Dam. Many erroneous statements have been made by opponents, such as labeling the Little Tennessee a "wild river." Actually the flowage of the river has been controlled for about 40 years, and the vast Aluminum Co. of America operations in Blount County is only one of the results of these impoundments.

The approval by your committee of this TVA project will insure the continuing expansion of industry through water, power and plant site facilities and a general boost in the economy of east Tennessee. As a bonus we get, at no additional cost, a most excellent recreation facility. Last but of utmost importance, our people in the area get jobs, probably a few hundred immediately, but through the years many thousands will benefit.

I appreciate the opportunity to present to you the very strong feeling of every businessman in this area and earnestly request your most important support for approval of this needed project.

Sincerely,

C. P. "CHUCK" SWAN.

VASEY COAL, FURNACE & STOKER CO.,
Knoxville, Tenn., July 13, 1965.

SENATE APPROPRIATIONS SUBCOMMITTEE,
Tellico Dam Project,
Washington, D.C.

GENTLEMEN: I am very much interested and deeply concerned regarding construction of the Tellico Dam and urge authorization of funds to begin this worthy project on the Little Tennessee River.

I am and have been a retail merchant in Knoxville, Tenn., for the past 42 years in retail coal and heating and air conditioning, and for 21 years in the retail furniture and appliance business at 308-310 South Gay Street, Knoxville, Tenn., and during these years have sold our merchandise all over the Tennessee Valley area.

During these years I have been honored by the people of the city of Knoxville in serving two terms on the city council of Knoxville, and also two terms as a director of the Knoxville Chamber of Commerce, and with this experience in dealing with the public I feel I know the pulse of this Tennessee Valley area that the great majority of our people are greatly in favor of the construction of the Tellico Dam.

Thanking you for your consideration, I am

Sincerely,

WILLIAM M. VASEY.

[From the Monroe County Citizen-Democrat, Feb. 3, 1965]

[An editorial]

How Do You Stand?

With the announcement last week that the proposed Tellico Dam was included in President Johnson's Budget Message to Congress, louder, if not more, opposition is being heard. The association for the Preservation of the Little Tennessee River, which was organized to resist the building of the dam, has been getting an outlet for its views in the Knoxville Journal and at least one Knoxville television station. An example of the assistance their cause has been getting is in the form of a cartoon which was published yesterday in the Knoxville Journal and is reprinted on this page with the Journal's permission.

The Journal carried a front page story Monday which listed 21 groups as reportedly being opposed to the dam. Those groups named were:

Vonore Lions Club, Tennessee Game & Fish Commission, Tennessee Outdoor Writers Association, Tennessee Farm Bureau Federation, Monroe County Farm Bureau, Monroe County Livestock Association, Monroe County Farmers Cooperative, Greenback Farmers Cooperative, Sweetwater Valley Feeder Pig Association (a 10-county group); Chattanooga Trout Association, Chilhowee Rod and Gun Club, Tennessee Conservation League, Southeastern Outdoor Press Association, Cherokee Sportsman's Conservation Association, McMinn County Farm Bureau, East Tennessee Duck Hunters Association, Chattanooga Realtors Association, Fort Loudoun Association, Nation's Capital Chapter of Trout Unlimited and the Blount County Livestock Association.

As president of the Little T group, Mr. J. M. Lackey of Vonore is the chief spokesman in opposition to the proposed dam. In Monday's Journal Mr. Lackey was quoted as saying:

"TVA has given great publicity to the relatively small number of persons favoring the dam. We know that a majority of the people directly affected by the project are against it."

The editorial staff of this paper, not without opposition in the "ranks" has supported the proposed Tellico Dam in general and it is our finding that "most" of the people in Monroe County, as well as those "directly affected," are in favor of the dam. Our opinion was borne out by a survey taken by the Monroe Citizen, forerunner of the Citizen-Democrat, in September of last year. Our survey showed that most of the people in the county, including those who expect to lose their land, were in favor of the dam.

Adhering to the old saying that goes "when in doubt, do it over," the Citizen-Democrat would like to repeat the survey taken in September. The citizenry is more informed about the issues now and the fact that this paper is being distributed free to all rural boxholders in Monroe County should give a more reliable result.

On this page there is a "survey questionnaire" which we are asking the readers to clip and fill out. Follow the instructions printed on the questionnaire but, please—only one questionnaire per household.

The questionnaires will be opened with other mail and kept separately until a time that will be announced next week when the results will be tabulated. Anyone interested in accuracy of the survey is invited to witness all phases of receiving the questionnaires and tabulating the results.

Readers Asked To Participate - - -

CITIZEN-DEMOCRAT SURVEY ON PROPOSED TELlico DAM

Please answer all questions with an "X" in the most appropriate box as indicated and mail to

the Citizen Democrat
P. O. Box 445
Madisonville, Tennessee

Mark box that indicates your situation.

- ☐ My land will be covered by water if the proposed Tellico Dam is built.
- ☐ My land will NOT be covered by water if the proposed Tellico Dam is built.

Check one that most closely fits your occupation:

- | | |
|--|--|
| ☐ Farmer | ☐ Professional |
| ☐ Factory Worker | ☐ Unskilled Laborer |
| ☐ Retail Merchant | ☐ Not Listed |
| ☐ Employee of Retail Firm | ☐ Unemployed |

CHECK ONE:

- ☐ I am FOR the proposed Tellico Dam.
- ☐ I am AGAINST the proposed Tellico Dam.
- ☐ I am UNDECIDED about the proposed dam.

[From the Monroe Citizen, Oct. 14, 1964]

SURVEY SHOWS DAM OK

In the recent survey taken by the Monroe Citizen, and basing our figures on the number of questionnaires that were made out and returned to us, we are happy to report the following results: 63½ percent of our readers are in favor of the proposed Tellico Dam, 35 percent of our readers are against it, and 1½ percent are undecided.

We do not maintain that this is the most accurate type of survey that could be taken, but we do vouch for the accuracy based on the returns made. It should be noted that while only about 15 percent of our circulation is in Vonore, Lake-side, and other communities along the Little Tennessee River, 23½ percent of the total questionnaires returned indicated that the respondent's land would be covered with water. Of this 23½ percent who stand to lose their land, an amazing 64½ were in favor of the dam.

If the survey is accurate, and we have no way of telling for sure, the percentage of those in favor of the dam who might lose their land is higher than the favorable average for the entire area.

The Monroe Citizen invites anyone to examine the questionnaires returned and check our figures. Of those mailed in we stapled the envelopes and the questionnaires together in order to substantiate their authenticity.

Any citizen who would like to express himself about the proposed dam should call or write: Mr. A. J. Wagner, Chairman of the Board, Tennessee Valley Authority, Knoxville, Tenn., immediately. I have received word that the TVA Board of Directors will go to Washington next week to work on their budget with the Bureau of the Budget. This means that the decision, if it is to be made for the next fiscal year, will be made no later than next week.

[From the Monroe County Citizen-Democrat, Feb. 17, 1965]

SIXTY-FIVE PERCENT IN FAVOR OF DAM, SURVEY REVEALS

The results of the recent Citizen-Democrat survey concerning the proposed Tellico Dam on the Little Tennessee River show that 65 percent of those returning the questionnaire printed on the front page of the paper 2 weeks ago, are in favor of the dam, while 35 percent are against it. The accuracy of the survey may very well be proved from the fact that the results in a similar survey conducted by the Monroe Citizen in September of last year had results of 63½ percent in favor of the dam and 35 percent against with 1½ undecided. The Monroe Citizen survey was conducted with normal circulation of about 2,800 while the latest survey was taken by publishing the questionnaire in a special issue with over 9,600 copies being circulated.

The only change in the overall result was a shift of the undecided vote to favoring the dam. However, some interesting figures are brought out by classifying the opinions somewhat. For example, in the September survey 23½ percent of those participating indicated that they would lose their land if the dam was built while in the latest survey 36 percent indicated that they would lose their land to the dam. Of this 36 percent, 52.8 percent said that they were in favor of the dam while 47.2 percent indicated that they were against it. In the earlier survey the results showed that of those indicating they would lose their land, 64½ percent stated that they were in favor of the dam. While the survey shows a marked gain among the landowners against the dam, it is still significant to note that a majority favor the dam.

The survey further indicates that 41 percent of those answering the survey are farmers and that of them 56 percent favored the dam while 44 percent opposed it. Factory workers favored the dam 4 to 1 while merchants favored the dam nearly 5 to 1. Some 64 percent of the professional people favor the dam.

We have no way of knowing whether or not the results of the survey are accurate, but we can vouch for the accuracy of the tabulation of the questionnaires returned to us. Each questionnaire was stapled to the envelope it came

in, if it was mailed, and we can account for all the questionnaires that were carried into our office by other means. We welcome examination of the survey questionnaires by any interested persons but will state that we did not count letters or facsimiles of the questionnaire which were sent in to us.

UNITED STEELWORKERS OF AMERICA,
LOCAL No. 309,

Alcoa, Tenn., July 13, 1965.

Mr. FRANK B. BIRD,
Maryville, Tenn.

DEAR SIR: I am writing you in regard to the action taken by Local 309, United Steelworkers of America, Alcoa, Tenn.

The membership voted at a regular business meeting to give their full support to the Tellico Dam project.

Approximately 5,000 members of this local union from Blount, Monroe, Loudon, McMinn, and Knox County are requesting the support of the Senate's Committee on Appropriations for the Tellico Dam project.

As chairman of the legislative committee, I have written both of our able Senators who are actively and firmly supporting this project.

Assuring you of our continued support in this matter we are,

Respectfully yours,

JACK RICHESIN, *Vice President.*

GREENE BROS. REALTY CO.,
Maryville, Tenn., July 12, 1965.

To Whom it May Concern:

I am in favor of constructing the Tellico Dam for the following reasons:

(1) The Tellico Dam was conceived and planned by TVA as an integral part of the Fort Loudon Dam—a sort of Siamese twin—using the same electric generators to utilize the waters of both the Tennessee and the Little Tennessee Rivers most economically. No other place in the entire United States possesses such unique economic feasibility for hydroelectric production.

(2) The twin connected reservoirs offer great flexibility in impounding floodwaters from each of the two river watersheds, each lending its aid to the other in case of a flood disaster in either.

(3) The geographic location of the Tellico Lake to be, the terrain of the surrounding area, the existence of railway, water, air, and highway transportation, all combine to make this one of the most favored locations imaginable for commercial enterprises.

(4) The territory surrounding this Tellico project constantly produces hundreds of high school and college graduates unable to obtain employment locally, thus forcing them to seek employment elsewhere. This economic loss produces almost a disastrous drain on our local economy. This condition separates children from their families to the great disturbance of both.

(5) The estimated cost of producing a capacity of 90,000 kilowatts of electricity at the Tellico project is \$43,500,000, while the Corps of Army Engineers spent approximately \$143 million constructing the Eufaula, Okla., dam producing only 90,000 kilowatts of electricity, with no water transportation advantage and little or no prospect of commercial enterprises. The Eufaula project used approximately 150,000 acres of the richest and most productive land in Oklahoma, while the Tellico project calls for less than one-fifth that amount of land much less productive than the Oklahoma land.

(6) The opposition to the construction of the Tellico project is based almost solely on sentimentality and fades into oblivion when compared to the tremendous economic and humanitarian values that will come with the construction of the Tellico Dam.

Most sincerely,

F. A. GREENE.

KNOXVILLE, July 12, 1965.

TELlico TRI-COUNTY DEVELOPMENT CORP.,
Lenoir City, Tenn.

GENTLEMEN: Because of my interest and concern with the economic growth and development of Knoxville and the east Tennessee area, I endorse the Tellico project on the Little Tennessee River as proposed by TVA and have advised our representatives in Congress of this support.

Continued progress in providing business and employment opportunities for the people of this region requires the most effective development and use of all our resources. Knoxville, and the area surrounding it, have immense potential as a manufacturing and commercial center in the middle South. The Tellico project will improve our transportation capabilities and provide extensive industrial sites for large basic industries. Its flood control and power features will add strength to our regional economic structure. Its recreation aspect will add new elements of beauty and usefulness for our own people and for the thousands that will be attracted to it. Tellico, therefore, is an important factor in the direction Knoxville is destined to go—toward a busy, growing, prosperous urban center.

I hope that others in Knoxville's industrial, business, and professional community will join me in supporting our Senators and Representatives in securing congressional approval for funds for the Tellico project.

Yours very truly,

WILLIS SUPPLY CO.,
 WILLIAM SEXTER WILLIS,
President.

J. ALLEN SMITH & Co.,
Knoxville, Tenn., July 8, 1965.

Mr. SEXTER WILLIS,
Knoxville, Tenn.

DEAR SEXTER: Thank you very much for sending over the pamphlet entitled "The Tellico Project."

First of all, Sexter, in my years in Knoxville, I have developed a very healthy respect for TVA's abilities in both planning and the management of the vast TVA project. On this basis, if on no other, I would say plenty of consideration needs to be given to their recommendations. As I understand, TVA themselves, recommend starting now with this Tellico project in preference to another in another section of the State and certainly if this is TVA's recommendation, it merits the consideration of everyone interested including our lawmakers in Washington.

It's obvious that it would add a great deal to the economy of this section—if for no other reason than the large construction work and the accrued benefits from that. There are other, of course.

I noted with interest that the Nashville Chamber of Commerce statement, which I thought was not exactly an appropriate one, but if it was correctly stated in the paper, I got the idea that their position is that TVA had been operating in east Tennessee long enough and it was now someone else's turn. Seems like poor logic, doesn't it?

Sincerely,

W. F. TOEVES.

CHAMBER OF COMMERCE,
Lenoir City, Tenn., July 9, 1965.

Mr. SEXTER WILLIS,
Knoxville, Tenn.

DEAR SEXTER: Thank you very much for your support and your work for the Tellico project. It seems that some people in Knoxville have been asleep and you have lit the fuse.

If there is any other way we can help, please do not hesitate to call on us.

Yours very truly,

J. W. WILBURN, Jr., *President.*

J. K. LEWIS REALTY,
Lenoir City, Tenn., July 9, 1965.

Re Tellico project.

SENATE PUBLIC WORKS SUBCOMMITTEE,
Washington, D.C.

GENTLEMEN: In our business dealings and personal contacts with our local citizens, we know that a vast majority of them greatly favor the Tellico project, and want it now—quickly as possible—to get us away from the immediate unemployment danger line, as well as getting the Little Tennessee River area started on this great development.

We are trusting the committee to put forth every possible effort to get this project started now. We need it and require it.

Thanks very kindly.

Yours truly,

LOUDON COUNTY REALTOR'S BOARD,
 J. K. LEWIS, *President.*
 Mrs. RICHARD F. ASH, *Vice President.*

LETTERS AND RESOLUTIONS FOR THE TELLICO PROJECT

CIVIC CLUBS AND ORGANIZATIONS

Nichols School PTA of the City of Lenoir City.
 Loudon County Rescue Squad.
 Gamma Theta Chapter of Beta Sigma Phi of the City of Lenoir City.
 Lenoir City Utilities Board of the City of Lenoir City.
 Lenoir City Women's Club of the City of Lenoir City.
 Clonian Club of the City of Lenoir City.
 Tellico Tri-County Development Association.
 Surburia Junior Women's Club of the City of Lenoir City.
 Pilot Club of the City of Lenoir City.
 American Legion Post No. 70 of Lenoir City.
 Junior Chamber of Commerce of the City of Lenoir City.
 Lenoir City Regional Planning Commission.
 Clonian Literary Club of the City of Lenoir City.
 Board of Directors of the First National Bank of Lenoir City.
 Rotary Club of the City of Lenoir City.
 Chamber of Commerce of the City of Lenoir City.
 Madisonville (Tenn.) Junior Chamber of Commerce.
 Monroe County Industrial Development Association, Inc.
 Sweetwater (Tenn.) Junior Chamber of Commerce.
 Sweetwater (Tenn.) Kiwanis Club.
 Tellico Plains (Tenn.) Kiwanis Club.
 North Loudon County Planning Commission.
 Loudon Regional Planning Commission.
 Madisonville Jaycees.
 Tennessee Rural Electric Cooperative Association.
 Tennessee Valley Public Power Association.

PETITIONS

For, 4,513.
 Against, 440.

RESOLUTIONS FOR THE TELLICO PROJECT

PUBLIC BODIES AND OFFICIALS

Mayor and Council Members of the City of Knoxville.
 Mayor and Board of Aldermen of the City of Lenoir City.
 Mayor and Board of Aldermen of the Town of Tellico Plains.
 Mayor and Board of Aldermen of the Town of Madisonville.
 Blount County Court Members.

RESOLUTION

Whereas the Tennessee Valley Authority has under consideration the construction of Tellico Dam at the mouth of the Little Tennessee River near Lenoir City, Tenn.; and

Whereas the Tennessee Valley Authority has indicated that said Tellico Dam is economically feasible; and

Whereas the construction of said Tellico Dam and its corresponding reservoir would increase economic gain in Monroe County and the surrounding area by providing a deep-water channel into the county on which waterfront industrial sites may be developed; and

Whereas further economic growth may be achieved by the creation of new recreational areas as well as providing additional flood control; and

Whereas the Monroe County Industrial Development Association, Inc., was organized for the purpose of stimulating and encouraging industrial and economic growth in Monroe County and the surrounding area: Now, therefore, be it

Resolved by the Board of Directors of the Monroe County Industrial Development Association, Inc., in regular meeting assembled, That the association urge the Tennessee Valley Authority to proceed with construction of the proposed Tellico Dam at the earliest practical date; and be it further

Resolved, That the association's support of this project be evidenced by furnishing copies of this resolution to the Chairman of the Tennessee Valley Authority, to the U.S. Senators from Tennessee, to Members of the U.S. House of Representatives, to the Governor of the State of Tennessee, and to the press.

The foregoing resolution was adopted on the 9th day of June 1964.

TELFORD A. LOWRY, M.D.,

President, Monroe County Industrial Development Association, Inc.

SWEETWATER, TENN.

Attest:

S. J. RANDALL,

Secretary-Treasurer, Monroe County Industrial Development Association, Inc.

SWEETWATER, TENN.

OTHER SUPPORT FOR PROJECT

KNOXVILLE, TENN., July 14, 1965.

SEXTER WILLIS,

6203 Westland Drive, Knoxville, Tenn.:

The Tellico Dam project, strongly favored by TVA and many forward-thinking people of east Tennessee, is something that can only be done by the Federal Government. It will give many opportunities and improve conditions in time to all the people of the South and at an early date to the people of east Tennessee. I admire your effort in behalf of this wonderful project and hope that the results may be favorable to all of us.

JOHN DOUGHERTY, M.D.

FAYETTEVILLE, TENN., July 13, 1965.

Mr. SEXTER WILLIS,

*Chairman, Knoxville Committee To Support Tellico,
Knoxville, Tenn.:*

Glad to hear you have organized to get Tellico. This should have been done long ago.

I want very much to see both Tims Ford and Tellico started now. They are both good projects, and needed.

As far as I know, everyone in middle Tennessee who is interested in river development feels the same way.

Your trouble is east Tennessee. Someone should long ago have thrown the hooks into Bill Brock good and proper. It should still be done.

JOE SIR.

SAN DIEGO, CALIF., July 13, 1965.

Hon. SEXTER WILLIS,

Knoxville, Tenn.:

The decision of the TVA Board to recommend the building of Tellico Dam was a professional decision. It is based on knowledge of the future industrial

needs of Tennessee. It was made by dedicated and experienced men who desire to see industrial development of our valley for the benefit of all Tennesseans. Tellico Dam should be built and we are pleased to join you and your committee in support of this project. Be assured that as county judge I join leaders of our committee in urging Congress to approve the Tellico Dam project.

C. HOWARD BOZEMAN, *County Judge.*

FAYETTEVILLE, TENN., July 13, 1965.

SEXTER WILLIS,

Cochairman, Knoxville Countians for Tellico Dam Association, Knoxville, Tenn.:

In reply to your wire today. The recommendation of our executive committee in this matter remains unchanged from that previously determined.

Our association and agency are in no way injecting themselves in the controversy regarding the Tellico project. We are neither advocating nor are we opposing the Tellico project.

We favor the Tims Ford project in this area as fully justified and needed.

Respectfully,

DONALD R. KING,

Commissioner, the Tennessee Elk River Development Agency.

W. A. SMITH,

President, the Elk River Development Agency.

EAST TENNESSEE IRON & METAL CO.,

Knoxville, Tenn., July 11, 1965.

SENATE PUBLIC WORKS SUBCOMMITTEE,
Washington, D.C.

GENTLEMEN: The industrial potential of the Tellico project is very important to the development of the Tennessee Valley.

We favor this project and would like to join the large group of fellow east Tennesseans who deem this project vital to our continued growth and progress.

Very truly yours,

Mrs. PHILIP CHAZEN.

GENTRY'S,

Knoxville, Tenn., July 14, 1965.

SENATE PUBLIC WORKS SUBCOMMITTEE.

GENTLEMEN: I wish to add my name to the growing list of east Tennessee business and professional people in support of the Tellico project.

This is a worthy project and will be of great benefit, not only to our area, but also the State and Nation.

Sincerely,

W. W. GENTRY.

ELECTRIC SERVICE CO.,

Knoxville, Tenn., July 15, 1965.

PUBLIC WORKS SUBCOMMITTEE,
Washington, D.C.

GENTLEMEN: This is to let you know how I stand on the Tellico project. In my opinion it would be of great benefit to our State, our community, and to our country. The industrial, flood control, navigation, and recreational potential is unlimited. Therefore, I am behind this project 100 percent.

W. D. WARD.

[From the Maryville-Alcoa (Tenn.) Times, Apr. 13, 1965]

TELICO OPENER MOST SUCCESSFUL

(Outdoors with Joe Halburnt)

Tellico had its most successful opener in history last Thursday when near 2,000 anglers splashed their way through the creeks and rivers of Tellico Wildlife

Management Area. Every accommodation was taken and hundreds were camping out everything from pup tents to campers.

The streams were well stocked and many fishermen had their limit by noon. Average size of trout ran much larger this year than usual, and several 12- to 15-inchers were added to fishermen's creels. Tellico will be open Thursdays through Sundays and on national holidays throughout the season. Still to open are the streams on Ocoee, scheduled for April 24, and Smoky Mountain National Park streams which will open May 16.

[From the Maryville Enterprise, June 16, 1965]

TELICO CAN BRING INDUSTRY

The people of the tricounty area have heard and read a great amount of news and information about the Tellico Dam project as planned and proposed by the Tennessee Valley Authority. They have heard much by speakers at meetings and on television and radio programs on this all-important subject. Early this month announcements appeared in the newspapers that the Public Works Subcommittee of the Congress has deferred action on the appropriation to begin work on the Tellico Dam project.

The Maryville Enterprise has completed a review and study of the entire subject from many angles and we find the following views prevailing:

The aims, purposes, and policies of the present administration in Washington seem to be strongly in favor of the project. In President Johnson's farm message to the Congress early this year, he called for "A parity of opportunity for rural dwellers." He recommended a long-term or permanent retirement of cropland, some of which could be diverted to recreation. The President also stated, "We have today 50 million acres more cropland than is required to produce all the food and fiber that we can consume, plus all we can export."

As for the cry of destroying more than 14,000 acres of good farmland we are and have been for many years subsidizing farm cropland production at a tremendous cost to taxpayers. A view of a map of the proposed lake indicates that a major part of the land to be covered and affected lies in Monroe County. According to an annual report for the year 1964 issued by the Monroe County Stabilization and Conservation Service more than 300 farms participated in the feed grain program by diverting from crop production more than 400 hundred acres and for diversion of wheat there were an additional 239 acres taken out of production. These diversion programs are in reality a form of temporary cropland retirement. It is on a purely voluntary basis which means that farmers are willing to cooperate with the Government by holding out of production many acres of good cropland for a cash income from the Government.

According to TVA the Tellico Lake, when the project is complete, will cover an area of about 14,400 acres in addition to the present riverbed and will have a shoreline of 310 miles. The area is now sparsely settled farming country. Recreation benefits would develop quickly because of the close proximity to the Great Smoky Mountains National Park and the Cherokee National Forest. Much of the shoreline could be developed for parks, boat docks, water sports, and bring into the area a great amount of income from tourism, vacationers, and day visitors.

The question of stream pollution has arisen as the waters of Tellico Lake would join the Fort Loudoun Lake by a canal connection. Studies by sanitary engineers show that pollution in the Knoxville area is largely dissipated before it reaches the lower part of Fort Loudoun Lake. Water just above the present Fort Loudoun Dam where the canal would connect it with Tellico Lake is of the same sanitary quality as that of the lower Little Tennessee River. Moreover, the normal flow in the connecting canal would be from Tellico into Fort Loudoun. The average elevations at present are Chilhowee Dam 873 feet and at Fort Loudoun Dam 812.5 feet, according to daily river bulletins emanating from TVA predicting riverflows and elevations. How can anyone imagine water flowing uphill?

A few of those interested in trout fishing are opposed to the project on the grounds that it would end trout fishing in what is left of the Little Tennessee River. Many residents along the river agree that there has been very little trout fishing in the river since the Chilhowee Dam was built many years ago. The river has not been for many years a natural habitat for trout. At consider-

able cost to Tennessee taxpayers trout has been stocked in the river a short distance below Chilhowee Dam. News that the river has been stocked leaks to a few fishermen who come and fish. However, the great majority of trout fishermen have long since deserted the Little Tennessee in favor of hundreds of miles of good trout fishing in the streams of the Great Smoky Mountains National Park and the Cherokee National Forest. Tellico Lake would bring us thousands of sportsmen for bass, sauger, and crappie. We would have well planned parks and recreation areas and a tremendous new income from boating, fishing, tourism, and vacationers from near and far. We will relieve some of the overcrowded weekend conditions in the Smokies and Cherokee Parks. Compare this new added business income from sports and tourism due to the new Tellico Lake and parks with present few and very occasional trout fishermen who bring in no income to those who live along the river.

Surveys that have been conducted during the past year or more have shown a loss in rural youth population. The number of young people between the ages of 20 and 40 years who have left the area for jobs in industrial centers, mostly in the North, has been more than 15 percent decline in population in the three counties of Blount, Loudon and Monroe. The net loss in these young age groups amounted to more than 4,700 in the decade between 1950 and 1960.

The plan to have a navigation channel that would accommodate commercial barges and tows from the present Chilhowee Dam along Tellico Lake through the canal into Fort Loudoun Lake and on through Tennessee waterways main stream channels would be a great attraction for a sizable industrial complex. Such an industrial development would be accomplished and thousands of job opportunities would be opened to our youth and the loss in youthful population would be overcome. A striking example of such industrial development is pictured here in the area of the Bowaters Paper Corp., the Olin Mathieson Corp., and Diamond Crystal Salt Co., all of which have located on the Hiwassee River. The picture shown was taken of Bowaters Paper Corp.'s giant industrial plant before the Olin Mathieson Corp. and Diamond Crystal Salt Co. were built on the opposite side of the Hiwassee River. More than 2,000 people are employed and earn about \$10 million in wages a year in these 3 factories. This is merely one example of industrial and job development that has resulted from TVA's projects along our streams and this is not the entire picture. Where industries have located along our TVA waterways many other industries and dependent business houses have located away from the waterways in association with the industrial plants on the river all creating more and more jobs.

The preservation of the historical site of the old English Fort Loudoun is contemplated by TVA. There is to be an attractive area set apart for the fort. When the entire Tellico project is completed the fort will be bordered by a beautiful lake and will attract many times the present number of visitors to the fort and its maintenance will be well supported. In fact, the fort will be an added attraction to the area for tourists and the natural beauty of the surrounding area will add to the interest of tourists who visit the fort. Even as old historical places at other TVA projects have been preserved and maintained such as the old log building at Fontana, an old grist mill and church at Norris, and many other similar places of interest have been carefully planned, the old historic Fort Loudoun will be set out as part of our heritage along Tellico Lake.

Some months ago the Monroe County Citizen-Democrat conducted a poll on the desirability of the Tellico Dam project with the result on two separate polls indicated 65 percent in favor of the dam. Also the survey showed 36 percent would lose their land to the dam and of this 36 percent, 52.8 percent said they were in favor of the dam. In an earlier survey by the Monroe Citizen-Democrat the results showed that of those indicating they would lose their land 64.1 percent stated they were in favor of the dam. The survey further indicated that 41 percent of those answering are farmers and that 56 percent were in favor. Factory workers favored the dam 4 to 1 while merchants favored the dam by nearly 5 to 1. Some 64 percent of the professional people favored the dam.

It is our conclusion that the Tellico Dam project by TVA is meritorious. It should prove a great benefit not only to the residents of the three counties immediately concerned, Blount, Loudon, and Monroe, but also to the people in the surrounding area who will enjoy recreation, delightful boating, and vacations here, but also the business in nearby Knoxville, Cleveland, and Chattanooga will also profit as a result of increased income from this area of activities. At the same time, when the young population in the area remain here, enjoy good

job benefits, they become valuable consumers of goods and household equipment manufactured in other parts of the Nation. Most importantly these young adults remain here as taxpayers and as useful citizens in our midst. Let us lend our effort to bring about this great opportunity for growth and development of our area. Wherever TVA has built a dam and constructed a lake they have done more than contribute to increased electric power, flood control, and navigation. They have accomplished their main purposes while at the same time they have added to the natural scenic beauty of our region. Their engineers work in full cooperation with State and local organizations in perfecting plans for area development.

[From the Knoxville News Sentinel, July 8, 1965]

HEARINGS SET ON TELlico, Tims Ford

SENATORS TO HEAR AT LEAST THREE GROUPS TESTIFY

(By Mike Miller, News-Sentinel Washington Correspondent)

WASHINGTON, July 8.—A Senate subcommittee will hold public hearings July 16 on the controversy over whether TVA will get money this year to begin construction of Tellico Dam or Tims Ford Dam—or both.

A spokesman for the Senate Public Works Subcommittee said today that hearings for public witnesses on all facets of the TVA budget have been scheduled for next Friday at 2 p.m. Already scheduled to testify are a delegation supporting Tellico Dam, a group representing opponents of Tellico, and a middle Tennessee delegation supporting Tims Ford. Each group will be given an hour to testify.

NO OPPONENTS SCHEDULED

Some letters of opposition to construction of Tims Ford on the Elk River in Franklin County have been received here, but so far the dam's opponents have scheduled no witnesses before the subcommittee.

Senator Albert Gore will present the supporters of both Tellico and Tims Ford, although he is at the center of the controversy over which dam will be built first. Senator Gore said he favors both projects but will follow TVA's recommendation giving priority to Tellico and will not support Tims Ford as a substitute for it. The House of Representatives killed \$5,775,000 budgeted to begin construction of Tellico Dam on the Little Tennessee River near Lenoir City and inserted \$5,570,000 to begin Tims Ford.

COMPROMISE EFFORT SEEN

An effort is expected in the Senate to work out a compromise giving TVA some money to begin both dams in fiscal 1966.

Representative Joe L. Evins, Democrat, of Tennessee, a member of the House Public Works Appropriations Subcommittee, is the principal champion of Tims Ford Dam, which would be in his congressional district. He has described Tellico Dam as the most controversial project in TVA history.

Also scheduled to testify before the Senate subcommittee are opponents of further development by TVA of the Land Between the Lakes Park in west Tennessee and Kentucky. The House overrode objections of the park's foes and approved \$1 million more than TVA had requested for further land acquisition.

LENOIR CITY, KNOX TEAM BACKS TELlico

Knoxville and Lenoir City business and professional men have joined forces to campaign for construction of the proposed Tellico Dam.

Fifteen Knoxville men started a move here yesterday and three others joined it today. It was also announced by Sexter Willis, president of Willis Supply Co., that the Knoxville and Lenoir City groups have joined their efforts and that representatives of both groups would appear before a U.S. Senate subcommittee next week.

"SILENCE" PUZZLES O'CONNOR

The local men joining the others today are former Mayor John T. O'Connor, Paul E. Parker, and J. B. Jones, Jr.

Mr. O'Connor congratulated those who started the campaign. "The silence of this community is something I can't understand, especially in this city that has benefited so much from TVA."

Mr. Willis said the Lenoir Citizens who have allied with the Knoxville group include J. W. Wilburn Jr., president of the Lenoir City Chamber of Commerce, and Dr. Dan Thompson, president of the Tri-County Tellico Citizens Group.

TO APPEAR BEFORE SENATORS

Others are Harvey Sproul, Al Beaman, Clarence Burdette, Cotton Easter, Bill Curtis, Guy Tallent, Herman West, and Bart Edens. Frank Bird, Maryville, also joined the group.

Mr. Willis and Aston Kennedy, president of Volunteer State Bank here, announced the local campaign yesterday.

Some of those involved in the campaign plan to appear July 16 before the Senate Appropriations Subcommittee, which will hear the pros and cons of both the Tellico Dam project and the Tims Ford project in middle Tennessee.

DR. THOMPSON COMMENDS

Dr. Thompson, whose Tri-County association was organized to fight for Federal funds to start the Tellico Dam project on the Little Tennessee River here, also said his group was "highly encouraged" by formation yesterday of the Knoxville group to aid in the campaign.

"We'll take Knoxville attorney Ray Jenkins along as our chief spokesman," Dr. Thompson said. "We're arranging now for other members of our delegation."

Dr. Thompson added:

"We join hands gladly—the 800 or more members in Loudon, Monroe, and Blount Counties that make up our association—with the well-meaning Knoxville group. We welcome them into this fight that could lead to approval of Tellico funds and start of the dam, which would improve the economy of our section of east Tennessee."

"BRINGS US CLOSER"

"We believe also that the Knoxville group's outspoken interest and firm resolve to lend their valuable assistance to this fight brings all of us closer to our goal—actual start of construction of the dam here."

"Our cooperation with the new Knoxville group is hereby offered and assured. We commend this new group for its forthright stand, and hope Tellico Dam friends lend it a hand. Until now, Knoxville interests had not spoken out in an organized way in support of the Tellico project. We in our association are elated over this new, progressive development."

"We believe also that with this reinforcement our campaign is on the high road to success and that it cannot fail. We want funds at this session of the Congress so TVA can get along with the Tellico project—which will benefit all of us."

[From the Maryville (Tenn.) Enterprise, May 26, 1965]

REPRESENTATIVE DUNCAN BACKS TVA TELlico DAM

SAYS PLAN ESSENTIAL TO EASTERN TENNESSEE DEVELOPMENT

Representative John Duncan declared support for construction of TVA's Tellico Dam, calling it "another giant step" in the economic development of the Tennessee Valley.

"If the east Tennessee area is to meet economically the future's challenge, it must respond to change," Duncan said. "Business and industrial development occur only when essential characteristics of sites, encouraged by careful planning and manmade changes, are met. Such is the case with the Tellico project."

Representative Duncan disclosed his support for the dam through release of a statement to the House Public Works Appropriations Subcommittee, which is

now considering TVA's request for \$5,775,000 to begin the dam in the fiscal year beginning July 1.

CITES JOB OPPORTUNITIES

"During the last few months, I have conscientiously endeavored to analyze and evaluate the facts as presented—determining the feasibility of the project and its justifiable relationship to the area, State and Nation," Representative Duncan said.

He cited projections that the dam on the Little Tennessee River at its mouth on Fort Loudon Lake will stimulate industrial investment of \$265 million and create 6,600 new jobs with annual payroll of \$18 million in 25 years.

"Not to be overlooked is the tourist and recreational potential the project will generate," Representative Duncan said. "Shoreline developments are expected to total \$5 million within 10 years, with an estimated 1,750,000 visitors annually."

BLOUNT, LOUDON, AND MONROE AFFECTED

The three counties which will be primarily affected, Blount, Loudon, and Monroe, are "industrially far below their capacity and potential. The region has been affected by a heavy outmigration of young wage earners because of a lack of job opportunity," Representative Duncan said.

He said TVA's in lieu of tax payment would replace the money collected in local taxes on land to be taken for the project. Land later sold by TVA along the lake for industrial or recreational development would return to the tax rolls, probably at a higher evaluation, he said.

PROJECT IS A GIANT STEP

Representative Duncan said the Tennessee Valley has risen from "an economically starved area" in 1933 to a "revitalized region, providing a balanced economy," and an "area of growing strength achieving spectacular economic growth."

Representative Duncan said the essential ingredient for expanding east Tennessee's economy are new job opportunities, new and expanded business and industry and a higher per capita income for the area's workers.

"In my opinion the Tellico project will assist in producing these desired objectives, stimulating growth and development of the area. The project is another giant step toward an industrial potential which will furnish a new and improved economic base for the entire region," he said.

LABOR BACKS TELlico DAM

The AFL-CIO Knoxville Central Labor Council has unanimously endorsed the proposed Tellico Dam and asks rank-and-file union members to urge their Senators and Representatives to "give it their wholehearted support and do whatever they can to get construction and this dam underway.

The council says TVA economic studies indicate industrial development growing out of the project will bring in \$265 million in private investment over the next 25 years, creating 6,600 jobs and an annual payroll of about \$18 million.

[From the Knoxville News-Sentinel, Feb. 7, 1965]

SUPPORTERS WRITE CONGRESSMEN: TELlico DAM URGED

(By Mike Miller)

WASHINGTON.—Tennesseans who favor construction of the proposed TVA Tellico Dam are making a comeback in their unofficial contest with the dam's opponents in writing letters to Members of Congress.

The tide turned on January 25 when President Johnson sent his budget message to Congress, including a proposed \$5,775,000 to buy land for the dam and reservoir. That apparently spurred supporters of the project to begin bombarding Washington with letters urging Congress to let TVA get on with the job.

On a selected day last week, Representative John Duncan's office received 34 letters from east Tennesseans concerning Tellico Dam; 27 favored the project with only 7 opposing it.

A selected stack of 50 letters in Senator Albert Gore's office reflected the same trend. Proponents outnumbered opponents 43 to 7.

This reverses the trend of incoming mail on Tellico before the budget was presented. During that period, the letters from foes of the dam heavily outnumbered those favorable to the construction.

DUNCAN'S OFFICE FLOODED

Representative Duncan has received about 350 letters and petitions concerning the dam since taking office. Overall, the two sides are now about even in numbers of letters, his office said. Representative Duncan has yet to commit himself on the issue.

Nor have Senator Gore nor Representative William E. Brock taken any stand on whether they will support or oppose the Tellico Dam appropriation. All three are replying to constituents that they will make a decision after all the facts are presented at congressional hearings.

Mail concerning the dam has been extremely light to Senator Ross Bass in comparison to the others. However, he is the only one of the four directly involved who has aired his views on the controversy publicly. Senator Bass will support the appropriation to begin construction of the dam.

Bass is replying to constituents that economic studies indicate industrial development growing out of the project will bring in \$265 million in private investment over the next 25 years, creating 6,600 jobs with an annual payroll of about \$18 million and attracting 1,750,000 tourists to its recreational facilities within a 7-year period. He also quotes TVA estimates that fishermen will multiply their spending in the area.

Appropriations hearings on the Tellico Dam project will undoubtedly bring scores of witnesses to Washington from east Tennessee, reminiscent of the fight last year over money for TVA to continue land acquisition for the Between the Lakes Park in west Tennessee and Kentucky. And like the Between the Lakes controversy, TVA will probably win out when the chips are down.

FAVORABLE VOTE SEEN

It is also probable that Senator Gore, Representative Duncan, and Representative Brock will support the appropriation in the final analysis. The projected economic benefits are too large to be sneezed at. But they will seek assurances that landowners whose property will be acquired get adequate compensation.

Congressional offices are reluctant to release information on their mail for fear it might bring more mountains of letters, all of which must be answered. Organized letter-writing campaigns often distort the picture and do not give an accurate picture of the feelings of their constituency as a whole.

In the case of Tellico Dam, the mail simply shows that interest is running high in the project. Representative Duncan has received more letters about the controversy than any other issue, including medicare, right-to-work laws, and merging the Reserves into the National Guard. And that is a lot of mail.

[From the Knoxville Sentinel, July 8, 1965]

TELICO SUPPORT PICKS UP STEAM

A week from today in Washington the pros and cons of the Tellico Dam project will be presented to a Senate Public Works Committee subcommittee. It could turn out to be an historic day for this area.

We are convinced that Tellico would be a tremendous business, economic, and recreation asset to the Knoxville area. We have repeatedly said so.

It is encouraging to see a number of key business leaders in Knoxville throwing their individual support to Tellico. More support is still needed. As Senator Albert Gore said recently, he needs articulate backing from responsible individuals and groups if he is to win his fight to get Tellico started during this fiscal year. His hope is that the Senate will approve the Budget Bureau's and TVA's request for Tellico funds, thus throwing the matter into the hands of a

House-Senate conference committee that would split the starting money (about \$5,750,000) between Tellico and Tims Ford Dam on the Elk River in middle Tennessee.

But the competition is tough. Tims Ford has a great deal of support, including the Nashville Chamber of Commerce, which has demonstrated that it is not afraid to take sides in a controversy, particularly if the economic situation in its trade area would be helped.

In sharp contrast, the Knoxville Chamber of Commerce to date has not only ducked the matter, but has permitted one of its staff employees to be openly and persistently identified with the Tellico opposition.

It is not yet too late for the Knoxville Chamber of Commerce to stand up and be counted, along with other groups and individuals.

[From the Tennessean, Nashville, Tenn., May 21, 1965]

KEEP TVA BUDGET WHOLE

Hearings on TVA's budget for next year are in progress before a House Public Works Subcommittee headed by Representative Joe Evins, of Tennessee's Fourth District.

Budget requests are being considered for a number of important TVA projects including the proposed Tellico Dam in east Tennessee. But there are other equally important installations projected for the future that should be getting attention now. These include the proposed Tims Ford Dam on Elk River.

All of these projects are essential to the orderly development of the TVA region, but the people of middle Tennessee should be especially interested in the Elk River project—and also the Between the Lakes recreation area which promises to bring a bonanza to this area in tourist trade.

The Tellico project has encountered some opposition, but it is encouraging to see east Tennesseans like Representative John Duncan, Republican, of Knoxville, finally coming to the support of this project and the benefits it will bring in flood control, navigation, power generation, and industrial opportunity for the depressed Appalachian region.

TVA has done much for east Tennessee and it is surprising to see so much reluctance on the part of community leaders to combat the ill-founded objections to the Tellico project. The enthusiasm of middle Tennesseans, who have received little of TVA's capital construction, is not so badly wanting when such projects as Tims Ford are under discussion.

The important thing to be considered, however, is not which section may be favored for a project, but the necessity for reversing a 20-year trend of cutting TVA budgets in Congress while similar projects in other sections of the country receive their full budget requests and more. The valley delegation should hold the line on TVA budget cuts this year, and add some needed funds that have been deleted by the Bureau of the Budget.

[From the Tri-State News, Sevierville, Tenn., 1965]

WORDS IN MOTION

(By Burl Johnson)

DAM THE LITTLE T

There are too many spots where fishermen can go to catch their smelly fish and drink their stinking beer for progress to be halted on the Little T.

My heart bleeds great big drops of bright red blood for them—but, it doesn't bleed nearly as much as it does for my sister, who had to go to Europe to find employment, or for a nephew, who had to go to Venezuela to find employment, or for a son, who had to go to Iowa, and another son, who had to go to Florida to find employment.

I have a nephew, who is graduating from college this year, and he is already looking for a place to go.

All of this because a few little people want to catch a few smelly fish and drink a lot of stinking beer on the Little T.

Dam the Little T. What we need is progress. Our children deserve more than a \$400 billion debt, and a world filled with unemployment just for the sake of a few little fishermen who want to catch smelly fish and drink a lot of stinking beer on the banks of the Little T.

If these little fishermen like nature in the raw they can find it really uncooked in Canada, Alaska, Brazil, Africa, and Australia. They can catch a slow boat or take a fast plane. It's a big, big world and there are thousands of places that they can catch fish, bigger than in the Little T. About the beer, I don't know. It may stink less or it may stink more. Anyway, I'm more than willing to wait a lifetime to find out.

But, as for now, or at the earliest possible moment, I say "Dam the Little T."

And speaking once more of progress, where do you think the people of Houston, Los Angeles, Miami, or any progressive city would be if they had TVA, AEC, U-T, the Smokies, and all of the other assets we have?

The difficulty with us is that we have too many asses blocking the pathway of our assets.

Don't be an ass, be an asset. Dam the Little T.

[From the Chattanooga Times, May 7, 1965]

TVA'S ANSWER

The TVA's answer to a major criticism of its Tellico project is both direct and succinct.

The soundest industrial development of an area, TVA says, occurs when the right kind of industry finds the right combination of features available in prime sites. And this is more often the result of careful planning and manmade changes than it is of nature's bounty.

The Tellico project, which involves a dam on the Little Tennessee River, will create the kind of combination of desirable features that industry is looking for, the authority maintains. Its elements include good access to rail and highway transportation in addition to a navigable waterway, sizable acreage of reasonably level terrain for economical construction, and adequate supplies of water for industrial processes.

Such attractions have not existed before in the area "to any significant degree," and to say that industries still can be induced to locate there is contradicted by the fact that they have not been in the past.

Really good sites, TVA pointed out, will bring "the kind of industry that employs more workers, pays higher wages, and has larger plant investments. And these plants generally are producers of basic materials for the industrial market and consequently lead to the establishment of satellite industries." The benefits thus become accumulative, and will be felt in an area stretching from Knoxville to Chattanooga.

On a specific point of criticism—the flooding of the Rose Island nursery, a major supplier of seedlings for Bowaters pulpwood forests—the TVA said the newsprint maker had been aware of the possibility of the loss by inundation since the nursery was established. TVA foresters are working with Bowaters to find and to develop tree nursery sites just as suitable.

One by one, critics of the project are being answered by the agency's logical presentation of the facts. Sound development of area resources remains TVA's only objective.

[From Lenoir City (Tenn.) News-Banner, Apr. 15, 1965]

EDITORIAL COMMENT

By Vernon McKinney

Recent efforts on the part of the opponents of the proposed Tellico Dam to discredit the project and, at the same time, to discredit TVA along with it, have, it seems to us, reached the point of the ridiculous.

We have no quarrel with people who honestly hold the view that the dam should not be built. Certainly they have a right to their opinion, and a right to express it.

We do, however, object to the seemingly irresponsible means employed on the part of some of these opponents to demonstrate their opposition.

News-Sentinel Writer Carson Brewer recently pointed to some of them. Accusing TVA of "using the big stick technique of bludgeoning local industry into submission" and "the threat of fluctuating power costs," constitute a gross untruth.

Editor Joe Bagwell of the Monroe County Citizen-Democrat had some interesting observations concerning the ceremony about 2 weeks ago when Supreme Court Associate Justice William O. Douglas was here to receive a petition from the Cherokee Indians seeking help to prevent the "further annihilation, destruction, loss, or desecration of the ancient homelands of the Cherokees."

Says Editor Bagwell:

"It could be reasonably deducted that the pageantry of last weekend was held without general public knowledge so as to avoid advance notice to the owner of the land upon which the ceremony was held. The owner, Mrs. Joe Moroney, Sr., whose family has owned Chota for over 150 years, is an ardent supporter of the proposed Tellico Dam and thinks that its construction by TVA would be a great benefit to the area.

"History was made for sure with the private petition presentation, for it marked—according to Mrs. Moroney—the first time a Cherokee has been to Chota since she has owned it, more than 50 years, and, as she recalls, since it was owned by her family. So the Cherokees, who usually only attend such functions for monetary consideration, undoubtedly had to be led to their ancient homeland by a paleface. There, they extolled how their hearts would break if TVA flooded a place they had likely never seen before * * *."

[From the Chattanooga Times, June 10, 1965]

TELICO ISN'T LOST

TVA asked for, and President Johnson included in his budget proposal, an initial appropriation of \$5.775 million to get the Tellico Dam project started on the Little Tennessee River. The project is a key factor in well-considered long-range plans for the industrial development of a three-county area.

It was a setback for a House appropriations subcommittee to exclude Tellico from allocations approved for TVA, but the project isn't lost. The omission can be rectified at any one of several steps in its consideration, most hopefully by the Senate. Both Senators Bass and Gore are committed to it, and Senator Lister Hill, of Alabama, has been an influential ally.

Instead of the Tellico Dam, the subcommittee included \$5.57 million for the Tims Ford Dam on the Elk River. It was less an arbitrary substitution than it might appear. TVA had asked for funds for both Tims Ford and Tellico, but the former was deleted by the Budget Bureau before it reached the committee.

The truth is that both projects—Tims Ford as a boost for the development of the Elk River area in middle Tennessee, and Tellico to provide additional industrial sites—are worthy of immediate starts. TVA could begin both projects with a minimum of delay, although it is further along with preliminary plans for Tellico.

Something of a smokescreen was raised, however, in the committee approval of \$100,000 for a water pollution study involving the whole valley, for which TVA had not asked and has no plans. Nonetheless, committee sources indicated members wanted to delay the Tellico project until the study was finished.

This is ridiculous. Pollution is not an issue at Tellico and would not be a problem if the dam were built.

The wider public interest lies in restoration of Tellico to the list of approved projects, along with Tims Ford, so that both developmental efforts can be started.

[From the Chattanooga Times, Oct. 22, 1964]

IN THE PUBLIC INTEREST

TVA's plan for a dam near the mouth of the Little Tennessee River, which would impound a lake with a 310-mile shoreline and a water storage capacity greater than that of the Fort Loudoun Reservoir, is in the critical stages of decisionmaking.

Whether the Tellico project, as it is called, is to be made a part of the Federal budget proposals for the next fiscal year must be determined in the near future.

The choice is between preserving the Little Tennessee and the Tellico Rivers as free-flowing streams or creating a reservoir with considerable potential for industrial and recreational development.

The Authority has made it clear that the project would be pushed only if there were significant public support for it and an indicated willingness to work to make the most of the advantages it will offer.

An impressive number of residents of the area, to the east and south of Loudon and Lenior City, have expressed themselves in favor of the project. Petitions individually signed and resolutions from various civic groups are in the hands of the TVA board.

But there is also formidable opposition, centering in the Association for Preservation of the Little Tennessee River. It urges abandonment of the whole idea. The dam, it said in a resolution, "will not bring industries to this area," but will in fact retard present developmental opportunities.

This assertion flies in the face of TVA estimates. For the first time in its advanced planning, the agency proposes to acquire 5,000 acres on the margins of the reservoir to assure choice industrial sites for plants needing water for transportation or manufacturing processes.

Experience indicates, it said, that the industrial lands would attract "private investment amounting to \$265 million over 25 years" and create a total of 6,600 new jobs for the area.

Many but not all of the trout fishing runs on the Tellico River would be lost, but the resulting lake, with fingers reaching deep into the Cherokee National Forest, would increase enormously the attractiveness of the area for fishermen and other water lovers.

The historic site of old Fort Loudoun would be preserved by dikes in the inundation of some 14,400 acres. Approximately 300 families would be directly affected.

Development of natural resources never comes without a price, and opposition is inevitable. But then industrial progress is made a specific factor in planning, when recreational advantages vastly expanded in their changing, when the general welfare is so adequately served—as all are in the Tellico project—then the cost becomes acceptable and the task should be undertaken.

[From the Monroe Citizen, Oct. 14, 1964]

DAM VERSUS CHEROKEE HISTORY

(By Joe G. Bagwell)

Many of the citizens who oppose the proposed Tellico Dam object on the basis that the village sites of the Overhill Cherokee Indians will be covered up and forever lost. It is my contention, however, that the construction of the dam will be the very thing that may cause a great wealth of history to be found.

A beautifully illustrated and factual book was published about 7 years ago that I believe its authors would admit would not have been in existence today if it had not been for the construction of Chicamauga Dam at Chattanooga. The threat of water covering up a large island at the mouth of the Hiwassee River accelerated plans for excavating the island where vast treasure of artifacts and bones provided University of Tennessee anthropologists with important knowledge about the primitive inhabitants of this region. These same University of Tennessee scientists told me that only a small amount of excavating has been done on the outskirts of the site of Echota (or Chota) the ancient capital of the Cherokees.

Echota may reveal some of the most vital information ever discovered about the Cherokees. An indication of what might be found under the ground at Echota was the discovery there about a year ago of a cannon which is believed to have come from Fort Loudoun. The present owner of the land, who plowed up this important relic, reportedly refuses to let his find out of his possession.

Historical research tells us that Echota was a "peace town" and no violence was permitted to occur within its limits. White men escaping Cherokees bent on doing them in and criminals could enter the town and no Cherokee would touch them, so long as they remained there. Lt. Henry Timberlake, a British soldier and the first official white visitor to the Overhill Cherokees following the Fort Loudoun massacre, described Echota as a "metropolis" and there is no

doubt that a lot can be learned about the original inhabitants of this land from the scientific exploration of the site which may be a long time coming if the Tellico Dam is not constructed.

To give you another example of how little we have cared in the past about our local history, there is not even an historic marker, on the highway or anywhere else for that matter, that a Cherokee Indian village once located near Echota and in Monroe County is the oldest place in the world to bear the name of our State and is in fact, the very place where the name "Tennessee" originated.

I do not wish for the construction of the Tellico Dam to be our punishment for not caring about the history of our country, I am hoping instead that it will focus our attention to the responsibility of finding out what is under the ground at Echota, Toqua, and many of the other historic places along the river.

Mr. A. J. Wagner, Chairman of the TVA, told me a week or so ago that the particular elevation of the Echota site may allow it to be saved with a small dike. There is not much likelihood that TVA will attempt this, however, unless people who are interested in preserving the land for its great historical value show their interest.

[From the Courier-News, Clinton, Tenn., Apr. 8, 1965]

TELLICO DAM AND TVA

Carson Brewer, writer for the Knoxville News-Sentinel, on Sunday said a few things in his column with which we are in full agreement and which have been on our mind to say for some time. We thank him for doing it so well.

We believe TVA has done more for this area than any other group over the past 30 years, and in helping promote the area it has done so in a quiet, cooperative manner. More than any other single group, TVA has helped to open the way for new industry and to provide new recreational facilities.

Yet, because some of our sportsmen differ with TVA over the value of the proposed Tellico Dam, they have said things that have no basis of fact, and have misrepresented other truths. Like Mr. Brewer we don't know whether the Tellico Dam is justified or not. But, having lived with TVA since 1933, we are strongly inclined to believe that in the Tellico situation, as in all the others, TVA has weighed the matter carefully and is fully prepared to justify the project to the President and to Congress.

As Mr. Brewer made clear, some of the untrue statements made about TVA, such as charging the agency with using the big stick technique of bludgeoning local industry into submission and the threat of fluctuating power costs, have harmed all of us.

The unfortunate part is that such untrue statements made by those who oppose the new dam at Tellico are like arrows shot into the air. No one knows where they will land. Unfortunately, it will take years to live down some of the charges, for the enemies of TVA (and they are legion) will pick up these statements and see that they are spread around in places where they will do greatest harm to TVA.

The thousands of dollars, the hundreds of hours contributed to the effort to obtain new industry for the area could very well be lost by what has been said. It is too bad that some people get so carried away by their enthusiasm for or against something; they fail to understand the results of what they do or say.

[From the Times, Maryville-Alcoa, Oct. 30, 1964]

TVA HAS NO MONOPOLY ON BUILDING OF DAMS

A news story in the Times yesterday indicated just how much the Tennessee Valley Authority has saved the electric resident customers on their electric bills based on an average of other such residential bills over the Nation. The amount saved by Blount Countians came to some \$2 million.

A lot of criticism focused on TVA is going the rounds here and in other areas of the country during this political period, some of it justified but by far the majority simply the bitter mouthings of people who for some reason fail to understand TVA or just are against anything done by the Tennessee Valley Authority.

Earlier this week, we received a copy of a hundred-page newspaper about the waterways in Alabama. Only a minute portion of this waterway system was in

the TVA in spite of the fact that the Tennessee River spends much of its course in that State.

We were amazed at the great system of dams on the Warrior and Tombigbee Rivers. These dams start almost at the mouth of the two streams and continue their way upstream almost to the Tennessee border. Dam after dam was built and lake after lake formed for transportation and flood control by the U.S. Corps of Engineers. They have done a magnificent thing with the river, one to which all Alabamians can point with pride.

Wednesday we flew to Ohio in a private plane and, in circling to land at a small airport, we cruised right above the river. Dam after dam, industry after industry along the stream met our view. We found that one dam had been built only last year. All were gifts of the Federal Government, built by tax funds by the U.S. Corps of Engineers.

What we are getting at is this. One of the people we met there said something about the TVA and electric bills for which he paid. I simply asked him who paid for the dam built in front of his city, one of many which kept the river from flooding his place of business as it did sometime in the 1940's. He hadn't even thought that he was the recipient of governmental largess, the very thing of which he was accusing the people in the valley of Tennessee.

We asked our friend why the industries had located along the river. He said that the Ohio, which was made navigable years ago by building dams to cover shoals, and the railroads along its banks made wonderful industrial sites. He said that the land on each side of the river had long been under option by leading industries. River traffic meant a lot even though it was much farther from his city to the mouth of the Mississippi than it is from the Little River site where the Tellico Dam has been projected.

There certainly are two sides to the Tellico project.

[From the Times, Maryville-Alcoa, Tenn., Oct. 16, 1964]

INDUSTRIAL ADVANTAGES OF TELLICO PROJECT

In a recent editorial, we took issue with the industrial claims of the Tellico Dam project of the Tennessee Valley Authority. We said that we doubted seriously not only the desirability of such industrial land but also the need for the land since other industrial sites were available.

We asked for further information than was at our disposal and this we have been given in a personal visit by TVA Chairman Aubrey Wagner and his industrial expert, Mike Foster. We are discussing in this column the over 2-hour conversation we had about this important matter in hopes that it will help to clarify the attitude of others concerning it.

We asked why should the TVA deliberately obtain prime industrial sites along this or any other project when there are so many sites available on the Fort Loudoun Reservoir and other lakes in this area. We cited the fact that TVA itself had released figures showing that there were 14 industrial sites on the lake, 5 of which were in Blount County.

Wagner displayed a map which showed all of the sites on the lake. There were 14 of which only 4 were marked as prime industrial sites. One of the two best sites we knew rather well and we can honestly state that, if this site is one of the two best ones on the lake, we have no good sites at all.

Thus the balloon of fantasy of excellent industrial sites on the river was burst. Foster told us that he and Blount Chamber Industrial Counselor Doug Poage had visited the Blount sites to determine on which he should get options from the owners. Not one of the sites measured up to further research, they were that poor.

What the Tellico Dam will bring will be 5,000 acres of prime industrial sites, the likes of which are nowhere on the Tennessee River at this time. The last acreage of this size usable for an industrial complex vanished when Bowaters and the service companies with it located on the Hiwassee River off Chickamauga Lake, Wagner stated.

In addition to this prime industrial land, another large acreage will be available for service and associated industries along with commercial companies in the huge complex envisioned by the TVA people. The whole area would employ from 4,000 to 5,000 people by their estimates.

We asked about the fact that the Tellico project is over 100 miles upstream from the Hiwassee River and whether this added transportation cost would be a detriment to incoming industry. They said not, that the initial loading and unloading were the high cost factors in river transportation and that another 100 miles made little difference. We said that no commercial bargeline scheduled trips above the Chickamauga Dam and the answer was that there are no scheduled commercial operations on the entire Tennessee, that most of the traffic was privately operated lines and the other was on a nonscheduled basis.

How much of the complex could be used during the next 10 years, we asked. Such a question could not be answered, they said, because of too many indeterminate figures on location of expanding plants. They pulled out a chart which contained a list of industries to which river transportation would be of value. They had researched these to determine the markets of each industry in the Federal Reserve districts surrounding this section of Tennessee.

These are the industries they said they would pinpoint for industrial groups interested in the Little Tennessee development. These are the people who would have to make the contacts and this is why the Little Tennessee River Development Association was encouraged by the TVA.

We asked if the industrial property was a primary consideration in the construction of the dam. The answer was a quick no, that other considerations in the feasibility study brought the cost-benefit ratio to the point where industrial value was incidental but that the value did exist which they wanted the communities around the project to exploit. This is why, Wagner said, that he has taken this approach on the project.

The point remains unanswered about the location of industry in such a good site. Who is to say that it will locate next year or in the next 20 years. The TVA officials said that, in other such areas on a par with this on the Tennessee River, their experience had been that industry was quick to move in. There was no guarantee but it was highly probable. No one else can say otherwise with authority.

This possibility must be taken into consideration by everyone who has an unselfish interest in the growth of the area. Still the question remains in many minds that the power, flood, navigation, and possible industrial benefits which would accrue to the area can be justly weighed against the loss of many farms, the fishing streams, the wilderness area, the Indian towns, the precious relics, Bowaters' Rose Island, and many other things which would all be covered by the reservoir.

[From the Loudon County Herald, May 21, 1964]

THE CLIPBOARD

(By Larry G. Cato)

TELLICO PROJECT

For the first time after several years of rumors TVA last week made a public statement on the possibilities of a dam at the mouth of the Little Tennessee River below Fort Loudoun Dam in Lenoir City.

From the tone of the statement it is very likely TVA will build the \$41 million project in the near future. Sources from within the TVA headquarters in Knoxville told us this week that it is very likely the first appropriation for the project would come within the next 12 months.

The TVA statement tells of the power potential of the dam and also the channel between the Little Tennessee and Fort Loudoun Lake which would connect to two bodies of water for navigation purposes.

We have to agree to the vast potential for industry which could bring to the counties in which the lake would cover after the project is finished. The actual project itself would be a boost to the economy especially in Loudon County due to the construction labor.

Many sportsmen oppose the project because it would put an end to what is described as one of the best trout streams in the South.

The Little Tennessee as it stands today has vast potential as a recreation and fishing lure for tourists, but this river has been in existence long before this section of the country was settled and its recreational and tourist attraction potential has not even been scratched.

This is really hard to understand, but for some reason people who invest heavily in the tourist trade are not aware of the potential wealth along the Little Tennessee. This could be due to the lack of interest in the tourist industry by local government officials and John Doe Citizen.

For this reason we believe, that it would be to the advantage of the county to have the project approved and constructed.

The Little Tennessee or Tellico project would still have a tourist attraction as all TVA lakes have and it would greatly increase the industrial potential of the area.

There is always the unpopular but necessary procurement of land that would be below the waterline of the dam backwaters. This of course causes unpleasant problems to those who have to leave their homes and farms. But this again is among the pains of a growing and progressing country. Generous sums are usually paid for property required for the project.

If TVA, an institution that has done so much for the Tennessee Valley, thinks this project is in the public interest then we believe it will pay great dividends for Loudon County and east Tennessee.

[From the Chattanooga Times]

SUPPORT FOR TELLICO

The TVA's Tellico project, which envisions the benefits of industrial development in a tricounty area following construction of a dam near the mouth of the Little Tennessee River, is at the congressional hearing stage. A House Public Works Appropriations Subcommittee is considering its inclusion in the next budget.

Representative John J. Duncan, Second District Republican who represents two of the three counties involved, joined advocates of the project in their appearance before the committee. His can be an influential voice among the Republican members in committee consideration.

Representative Bill Brock, in whose Third District is located the other county, has yet to make his position public. In his successful bid for reelection last year, the Republican Congressman was firm in his support for TVA and its program of resource development.

The Tellico project represents the sort of farsighted planning and implementation of public works which TVA has brought to bear to the infinite benefit of the valley. We hope Mr. Brock joins his colleagues in vigorous support of the proposal.

[From the Knoxville News-Sentinel, July 7, 1965]

TELLICO DAM BACKED BY KNOX GROUP

CAMPAIGN STARTS FOR CONSTRUCTION OF TVA PROJECT

A group of 15 leading Knoxville business and professional men have started a campaign supporting the construction of Tellico Dam.

The drive is headed by Sexter Willis, president of Willis Supply Co., and Aston Kennedy, president of Volunteer State Bank.

In a statement issued by the group today, they said the construction of the dam "is an important factor in the direction Knoxville is destined to go—toward a busy, growing, prosperous urban center."

PROMINENT SIGNERS

The signers of the statement include, other than Mr. Willis and Mr. Kennedy, Harry Nacey, John Cox, Sr., Jack Black, Tom Black, Sr., Dr. Robert Newman, Templer Fraker, Bill Moehlman, Max Friedman, Jim Blevins, Ray H. Jenkins, John (Jack) Doughty, John Pyles, and Don Whitehead.

The statement said:

"Because of our interest and the concern with the economic growth and development of Knoxville and the east Tennessee area, we have individually endorsed the Tellico project on the Little Tennessee River as proposed by TVA and have advised our representatives in Congress of this support.

ADVANTAGES CITED

"Continued progress in providing business and employment opportunities for the people of this region requires the most effective development and use of all our resources. Knoxville and the area surrounding it have immense potential as a manufacturing and commercial center in the middle South.

"The Tellico project will improve our transportation capabilities and provide extensive industrial sites for large basic industries. Its flood control and power features will add strength to our regional economic structure. Its recreation aspect will add new elements of beauty and usefulness for our own people and for the thousands that will be attracted to it."

HELPERS WELCOME

In conclusion, the statement said: "It is our hope that others in Knoxville's industrial, business, and professional community will join us in supporting us and our Senators and Representatives in securing congressional approval for funds for the Tellico project. Senate action will be taken on this project within the next few days. Now is the time for action. Write Senators Albert Gore and Ross Bass now."

Mr. Willis and Mr. Kennedy said anyone wishing to join in the drive may contact them.

[From the News-Banner, Lenoir City, Tenn., Oct. 15, 1964]

ROTARY, CIVITAN, SUPPORT TELLICO

Lenoir City Rotary and Civitan Clubs have both adopted resolutions endorsing the proposed Tennessee Valley Authority Tellico Dam project.

The Rotary Club acted on the resolution last Thursday night and the Civitan Club took action Tuesday.

In addition, several other civic and service organizations, including the Federated Women's Clubs and the Pilot Club of Lenoir City are expected to take up the question of adopting the resolution at their next meeting.

The resolution, which was forwarded to TVA headquarters in Knoxville after passage, points out that the club feels that "it is for the best interest of the citizens of Lenoir City, Loudon County and surrounding area that this dam be constructed * * * and [it] will stimulate the economy of the entire area, provide industrial expansion and continue providing cheap hydroelectric power for the city and residents of the entire area * * * and that there are many, many more advantages, too numerous to mention * * *."

The document expresses the "hope that TVA will take affirmative action in the construction of the Tellico River Dam."

[From the Knoxville News-Sentinel, Apr. 20, 1965]

MONROE PLANS FOR TELLICO DAM

The Monroe County quarterly court, meeting yesterday at Madisonville, took steps to develop the Little Tennessee River-lake area once Tellico Dam is built.

The squires, carefully avoiding taking sides on the controversial TVA dam project, invoked a State act that sets up a port authority and called on the Tennessee State Planning Commission to study the area and recommended park, recreation, and industrial sites.

Other action by east Tennessee county courts:

Scott: Named boards to seek both a State park and new industry.

Clinton: Launched inquiry that could lead to switching from surplus commodity to food stamp plan for indigents.

Cumberland: Approved resolution asking Tennessee Congressmen to work for constitutional amendment on reapportionment of State legislature, and made its rural library service permanent.

Sullivan: Banned poll workers from within 1,000 feet of election places, created pet control law, set 30 mile-per-hour speed limit on Bristol-Blountville Highway, voted improvement of Tri-City Airport.

Loudon: Authorized pay for board bills incurred by housing prisoners in Mon-

London : Authorized pay for board bills incurred by housing women prisoners in Monroe County jail.

Elizabethton : Gave tentative approval to budgets that would keep tax rate at \$2.35.

Cleveland : Gave tentative approval to \$1,616,872 county school budget, invoked six local bills passed in the legislature.

McMinn : Named four of five members to county tax equalization board, with Athens to pick fifth.

[From the Knoxville News-Sentinel, June 10, 1964]

MONROE KIWANIS FAVOR NEW DAM

SWEETWATER, June 10 (Special).—Sweetwater Kiwanis Club says TVA has under consideration "the building of what is known as the Tellico Dam at the mouth of the Little Tennessee River near Lenoir City, upon which we understand the TVA has made a favorable feasibility report."

The club in the resolution adopted says it believes the construction of the dam "would be of great economic benefit to this entire area by providing deep-water transportation into the heart of Monroe County, by providing additional facilities for flood control, and by the creation of nearly ideal recreational potentials." Also that it "would make available and desirable many industrial sites which would add greatly to the economy and employment of the entire area."

[From the Monroe Citizen, Oct. 7, 1964]

JAYCEES VOTE SUPPORT FOR TELlico DAM

Mr. Ronald Saylor, executive director of the Monroe County Industrial Development Association, and three TVA officials; Mr. H. I. "Mike" Foster, Mr. Robert Frierson and Mr. Bernard Zellner attended the Madisonville Jaycee meeting last Thursday night and following their visit the Jaycees passed a resolution supporting the proposed Tellico Dam.

Mr. Saylor gave the main address of the evening and this was followed by a question and answer period in which the TVA representatives supplied a lot of the answers. Saylor, giving the official view of the MCIDA stressed the need for industrial sites before industrialization can occur and pointed out that despite popular opinion to the contrary, there are very few suitable industrial sites along the Tennessee River and its various impoundments from Chattanooga to Knoxville. He pointed out that suitable terrain must be in proximity to a railroad and a major highway before land on a navigable waterway can be classified as an industrial site. He and Mr. Foster discussed specific sites from Chattanooga to Knoxville which have the desirable combination of transportation facilities, and pointed out that bad terrain, sinkholes, rock outcroppings and unavailability of the land are factors that narrow down the choice of sites.

"The object of industrial development is not tax revenue" Mr. Saylor said, but pointed out that if half of the industrial development occurs in Monroe County that TVA expects to occur in the entire lake that would be created by the proposed dam, then "this would have the effect of \$132,500,000 in taxable property." At current rates and assessment percentages, Saylor said this would amount to \$900,000 per year in direct property taxes on the industries alone the county would stand to receive.

The TVA representatives added that the TVA would make payments in lieu of taxes so that the county would not lose land tax revenue from the land purchased by the Authority.

Mr. Foster stated that there have been 190 factories built along the Tennessee River creating 33,000 jobs. "This is not the entire picture," he pointed out, "many other industries have located away from the waterway in association with the plants on the river." He gave the Huber Chemical Co., in Etowah as an example of a factory constructed away from the waterway but as a supplier to a waterfront industry.

Following the meeting the Jaycees had a lively discussion about the matter before passing a resolution officially giving their support to the proposed dam.

[From the Knoxville News-Sentinel, Sept. 26, 1964]

BUILD TELlico DAM

Tennessee Vally history is repeating itself.

As World War II approached, TVA was being called on for large amounts of electric power for the top secret Oak Ridge atomic bomb program, for Alcoa's sheet aluminum plant, and for other national defense plants in the valley.

Douglas Dam on the French Broad River and Cherokee Dam on the Holston River were built in record time. But there was highly vocal opposition to both dams from a few large farmowners whose properties were to be flooded by the two dam reservoirs. However, national interests had to prevail. Regional interests also benefited—periodic floods were ended, much fine farmland still remained, and a number of big industries have, over the years, come into the area, attracted by low-cost power and a fine supply of intelligent labor.

Today, TVA proposes to build a dam near the mouth of the Little Tennessee River in the Tellico Plains area, and connect the reservoir thus created with Fort Loudoun Lake by means of a short canal.

Although this proposed Tellico Dam would firm up hydropower and flood control programs, the major purpose would be to create some 5,000 acres for industrial sites for private development.

It may not be generally know, but the original TVA Act directed the agency to promote private industrial development along the shores of its reservoirs. And this it has done. Throughout the entire Tennessee River watershed, new industries have been established over the years.

A typical example is Calvert City, Ky. In 1948 it was a crossroads village of 319 persons; today it is a big community with more than 20 separate industrial plants and processing units manufacturing chemicals, chemical products, and ferroalloys. More than 2,000 persons are employed and the plant investments exceed \$115 million. Not far away, at New Johnsonville, Tenn., the E. I. duPont de Nemours & Co. operates a \$30-million titanium dioxide plant.

In both areas several satellite industries have sprung up.

At Muscle Shoals, Decatur, Huntsville, and Guntersville, Ala., all small trading villages before TVA, today are giant industrial complexes.

TVA estimates that if the proposed Tellico Dam is built, industrial development within 25 years will reach a staggering \$265 million. Think how many jobs would be created.

The dam would cost \$41 million; the sale of industrial sites would cut the net cost to \$31 million. To sell Congress on the plan and to get the appropriation, TVA first seeks public support.

But a highly vocal minority, consisting chiefly of trout fishermen, is vigorously opposed to the project, just as were a few big landowners opposed to Cherokee and Douglas Dams. However, there is no war condition today to override the opposition.

But there's another major condition existing today which should take priority over the wishes of a few trout fishermen. We'll discuss it in a followup editorial tomorrow.

[From the Knoxville News-Sentinel, Sept. 27, 1964]

BUILD TELlico DAM

In this space yesterday we discussed TVA's proposed Tellico Dam. Today we shall tell why we believe it should be built.

This valley's greatest—and irreplaceable—asset is our young people. We must educate them, then keep them in this valley by providing them with job opportunities so they can marry, rear families, and live in comfort.

This is not being done. Every year thousands of young men and women leave their native land here and migrate elsewhere in hopes of finding work.

Sometimes this results in tragedy. An example cropped up just the other day. A 19-year-old girl from Greenville, S.C., and two companions, a brother and sister of about the same age from Tracy City, Tenn., hitchhiked together to Los Angeles in search for jobs. The Greenville girl got a job as a waitress, fell in with bad companions, and was murdered.

The State of Tennessee is now spending millions of tax dollars for new technical schools, to train young men and women for industrial jobs. But unless this

program is teamed up with industrial development, there won't be the jobs. We'll be merely training these young people for factories in Detroit, Chicago, and other places.

We're in the age of technology. Electronics, atomic energy, rocketry, and new techniques in all industrial and agricultural fields are opening exciting opportunities for our young people.

They will go where those opportunities exist. So our valley must meet that competition. We have the climate, the water for cheap transportation, and cheap electric power—and the human talent.

History proves that this would be no industry-raiding effort, no attempt to entice established plants elsewhere to pull up stakes and come into our valley. The industrial complexes at New Johnsonville, Calvert City, Muscle Shoals, Decatur, and elsewhere all up and down the valley are newborn, not stolen from other areas.

As far as we can determine, the major opposition to Tellico Dam comes from a few trout fishermen. They want no reservoir in the lower Little Tennessee which would flood the shoals and inlets where trout are found.

But there are still many trout streams in east Tennessee, including those protected by the National Park Service.

For us, the choice between trout fishing and an industrial program which within 25 years would bring in some \$265 million in new plants is an easy one.

We hope public support will surge upward around the TVA proposal, and that our area will match what has taken place elsewhere in this wonderful valley.

[From the Democrat, Madisonville, Tenn., Nov. 11, 1964]

(The Etowah Enterprise recently joined with area newspapers in encouraging the building of the proposed Tellico Dam. The following editorial was published.—The Editor.)

WE, TOO, ADVOCATE THE BUILDING OF THE TELlico TVA DAM

This newspaper wishes to join with Editor Loye W. Miller of the Knoxville News-Sentinel in advocating the building of the Tellico Dam on the Little Tennessee River. In a recent editorial Mr. Miller gives good reasons why the dam should be built so as to provide industrial sites that would mean jobs for the young people who now have to leave east Tennessee to find work.

Etowah is extremely interested in this dam. It will be in this part of the Tennessee Valley that will undoubtedly become one of the most highly industrialized areas in the United States. There is a great future in store for this area, and the dam is a necessary part of the planning.

Here is what Editor Miller has to say:

"This valley's greatest—and irreplaceable—asset is our young people. We must educate them, then keep them in this valley by providing them with job opportunities so they can marry, rear families, and live in comfort.

"This is not being done. Every year thousands of young men and women leave their native land here and migrate elsewhere in hopes of finding work.

"Sometimes this results in tragedy. An example cropped up just the other day. A 19-year-old girl from Greenville, S.C., and two companions; a brother and sister of about the same age from Tracy City, Tenn., hitchhiked together to Los Angeles in search for jobs. The Greenville girl got a job as a waitress, fell in with bad companions, and was murdered.

"The State of Tennessee is now spending millions of tax dollars for new technical schools, to train young men and women for industrial jobs. But unless this program is teamed up with industrial development, there won't be the jobs. We'll be merely training these young people for factories in Detroit, Chicago, and other places.

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"They will go where those opportunities exist. So our valley must meet that competition. We have the climate, the water for cheap transportation, and cheap electric power—and the human talent.

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"But there are still many trout streams in east Tennessee, including those protected by the National Park Service.

"For us, the choice between trout fishing and an industrial program which within 25 years would bring in some \$265 million in new plants is an easy one.

"We hope public support will surge upward around the TVA proposal, and that our area will match what has taken place elsewhere in this wonderful valley."

[From the Knoxville News-Sentinel, Jan. 26, 1965]

EDITORIAL COMMENT

(By Vernon McKinney)

Loudon Countians who want to make their wishes known to Tennessee Valley Authority concerning construction of the Tellico Dam across Little Tennessee River should do so right away or not at all.

We learned this week that TVA will go into conference with the Bureau of the Budget in Washington this month to develop its part of the President's budget to be submitted to Congress next January.

Aubrey J. Wagner, TVA Board Chairman, indicated last week that the Authority will recommend the project if the people want it built and if they indicate a willingness to take advantage of it and develop it.

In other words, it's up to us whether TVA builds the Little Tennessee River dam or not.

We have favored the project from the first. We believe the benefits to be derived—not the least of which is the expenditure of \$41 million just across the river from Lenoir City—make it worth while and advantageous to this area.

If those who agree with us put forth an effort to write a letter or post card to TVA expressing their thoughts, and those who don't do likewise, TVA should get a pretty good idea of the state of public opinion.

Cards or letters should be addressed to Tennessee Valley Authority, Knoxville, Tenn.

[From the Lenoir City News-Banner, Oct. 8, 1964]

BUILD TELlico DAM

President Johnson has included an item of \$5,775,000 in his recommended budget for TVA for the coming fiscal year to start work on the proposed Tellico project.

We strongly urge Congress to authorize the project. For it fits in perfectly with the administration's program to create new jobs and improve our business economy.

Last September the News-Sentinel, in two editorials, supported TVA's proposal to undertake the Tellico project, which would include a dam on Little Tennessee River just a short distance from the point where it flows into Watts Bar Lake. A canal would connect Tellico Lake with the Tennessee River just above Fort Loudoun Dam, and create a new reservoir some larger than Fort Loudoun Lake.

Hydropower output would be greatly increased at Fort Loudoun Dam as a result, and there would be greater control against floods downstream. Deep-water barge facilities would exist on the new Tellico Reservoir.

There would be still another asset, and perhaps the most important. The Tellico area is regarded as ideal for industrial development. And, for the first time, TVA under its plan would retain control over the Tellico Lake shoreline and thus block private speculators from moving in and grabbing up the lakefront area.

Such has been the experience in many areas along the main stream of the Tennessee; speculators have priced waterfront industrial sites out of the market.

TVA proposes to work with local governments and chambers of commerce in the Tellico area in order to attract acceptable industries. It estimates that over

a 25-year period a \$265 million industrial complex would be developed, providing 4,000 new jobs, plus another 2,600 jobs in related business, such as shopping centers, filling stations, etc. The annual payroll is estimated at \$18 million.

As we said back in September, our greatest asset is our youth. We can't afford to educate them, and then watch them go elsewhere to live, work, and rear families.

Tellico would make a major contribution toward keeping young east Tennesseans on their native soil.

[From the Enterprise, Maryville, Tenn., May 26, 1965]

THISTLES AND ROSES

CONGRATULATIONS, CONGRESSMAN JOHN J. DUNCAN

Editorial bouquets this week go to our Congressman, John J. Duncan, for his support of the Tellico project of the Tennessee Valley Authority. His statement in support of the project and his personal appearance before the House Appropriation Committee with the 22-man delegation asking for the funds to start construction should be a big boost toward the final approval for the dam.

Knowledgeable people predict great things in the way of jobs to result from the dam—not tomorrow, but over the years. The TVA says, and we have every reason to believe them, that the industrial sites which will be located at the point where Highway 411, the L. & N. Railroad, and the navigable waterway created by the lake will join near Vonore, will be sites which are unmatched anywhere above the Calhoun area where Bowater is located. They say that there are only seven other such sites anywhere along the entire Tennessee waterway, and at each of them there has been a spectacular development of industrial plants with the added jobs that always accompany such development.

Congressman Duncan indicates by this action that he intends to continue the sort of support for TVA that the predecessors in his office gave to TVA. Those of us who have seen the benefits in added jobs, added business, etc., which have resulted from the TVA activities in our area, are proud to see Mr. Duncan planting his feet firmly along the path of solid support for the worthwhile programs of TVA; his usefulness will grow as he becomes more experienced.

Mr. Duncan, we thank you—keep up the good work.

[From the Chattanooga Times, Mar. 21, 1965]

THE CASE FOR TELlico DAM

If the TVA were to wrap up its whole bundle of recommendations for the proposed Tellico Dam on the Little Tennessee River in a single sentence, it could do no better than to quote Board Chairman Aubrey Wagner.

"We are convinced," he wrote in a reply to queries about the plan, "that the Tellico project, properly developed, will add to the beauty and attractiveness of the area, greatly increasing its potential for recreation, and providing tremendous opportunities for the future growth of the region."

The dam is opposed by a highly vocal segment of the tricounty area chiefly affected, augmented to some extent by critics of TVA from other sections eager for a chance to get in their licks. The best judgment, however, is that the critics are in a minority. TVA's mail on the subject has run heavily in favor of the project, a majority of the landowners directly affected are willing to go along, and a poll by the Madisonville Citizen-Democrat ran 65 percent for, 35 percent against.

Spokesmen for TVA, of course, have buttressed Mr. Wagner's summation in a dozen ways. The economic benefits of the \$42.5 million project are estimated to exceed costs over a period of years by a ratio of 1.4 to 1.

Part of the plan is to designate in advance the sites most suitable for industrial development which, the experts say, will bring in plants employing 6,600 persons with annual payrolls of \$18 million. Net annual value added by manufacture would reach \$76 million in a few years, in contrast to \$2 million lost in agricultural production on lands required for the reservoir.

This would be in an area which saw its farm employment diminish by half between 1950 and 1960, Mr. Wagner has said, and which faces continued economic deterioration unless there is a broadened industrial base on which to build.

There is always some cost of a development such as proposed on the Little Tennessee, in families moved and lands inundated. The TVA, however, is making a good case for the anticipated returns on the investment there, in terms of new industrial possibilities and improved recreational facilities.

[From the Monroe Citizen, Madisonville, Tenn., June 3, 1964]

WE SHOULD ORGANIZE SOON

(An editorial)

Once again we are calling upon citizens to let it be known whether or not they desire that the Tennessee Valley Authority construct the proposed Tellico Dam across the Little Tennessee River. As mentioned earlier, those that oppose the project are starting to become audible. Before long, unless something is done about it, the voices of those opposing the dam will be heard well above the voices of those in favor of it. Positive steps should be taken immediately to prevent any misunderstanding about the feelings of the citizens who would be directly affected if the dam were to be built. Well-known newspaper columnists, such as Bob Burch and Carson Brewer, would soon have the world believing that the people in this area would rather attempt to develop the Little Tennessee as a "floating trout stream" than to build the dam. These two men, in particular, backed up by the Tennessee Game and Fish Commission, are giving great lip-service to the proposition that if left as is, the Little "T" will become a great mecca for trout fishermen.

We have nothing against trout fishing or fishermen in general. We are only interested in what is best for most of the people. In a prepared statement entitled "The Tellico Project," the TVA states that "studies of economic development likely to be stimulated by the project, based on experience with industrial development along the main stream of the Tennessee, indicates that the industrial lands would attract private investment amounting to \$265 million over a period of 25 years. It was estimated that these plans would add 4,000 new jobs in manufacturing to the area, producing a net increase in wage income of about \$18 million. In addition, since manufacturing creates new jobs for non-manufacturing segments in the economy, it is estimated that another 2,600 jobs would result—a total of 6,600."

The most optimistic prediction of the opponents of the Tellico Dam could in no way approximate the economic benefits that could be derived if the dam were constructed. Monroe County has one of the most abundant supplies of fresh water that can be found anywhere. The trout streams in the mountains of our county have indeed attracted many out-of-county and out-of-State fishermen, but the economic benefits received as a result of this natural attraction are relatively insignificant. There would be little if any improvement, economically speaking, if the Little "T" were to become the best trout fishing river in the United States. Economic development is not necessarily the most vital thing to consider. However, so long as our region remains as undeveloped as it is, we think that economic development should be the most important consideration.

We continue to hear from our readers and none have expressed an adverse feeling about the Tellico Dam project. This is not to say that there are not undesirable portions of the TVA plans, but we feel that those things can be worked out and the most important thing is to get the dam built.

AN EDITORIAL: SAVE LITTLE TENN. FROM "WILD RIVER"

[From the Citizen-Democrat, Madisonville, Tenn., June 2, 1965]

The U.S. Department of Interior poked about the Little Tennessee River last week investigating the possibility of designating the Little T a "wild river" under the new law designed to preserve certain streams and surrounding areas in their natural and wild state. A move to get the Little T designated a wild river is reportedly a "last ditch" effort to prevent the construction of the proposed Tellico Dam.

It is our hope that the opponents of the dam will jump out of this "last ditch" before they push us into a situation that would be worse than the dam ever thought of being.

If the Little T were to be dubbed a "wild river," subject to all the appurtenances thereto, the landowners along the river would soon find their property being taken by right of eminent domain, not to be flooded or resold to industry, but to be returned to a state similar to what it was when the white man first desecrated it. This would mean that our area would have the distinct honor of being one of the select sections of this country with the privilege of going back in time. We may even realize the ultimate in authentic backwardness which is returning of the land to the Indians who only recently expressed their heartbreak over the threat of the dam and the possible loss of their ancestral homelands.

Monroe County already has more natural nature than most counties and it saddens us to think that the opponents of the dam would rather digress than to face uncertain progress.

[From the Citizen-Democrat, Madisonville, Tenn, Apr. 7, 1965]

EDITORIAL: THE CHEROKEE PETITION

Though I doubt he knew it, Supreme Court Associate Justice William O. Douglas was spirited into Monroe County over the weekend for a staged ceremony on the banks of the Little Tennessee River witnessed by a private audience consisting of one writer and one photographer from the Knoxville Journal. The secret ceremony was highlighted by the presentation of a petition to Justice Douglas by three Cherokee Indians in full aplume. The petition called for the Justice's help to prevent the "further annihilation, destruction, loss, or desecration of the ancient homelands of the Cherokees."

The colorful little ceremony, that must have had an "Unto These Hills" flavor, was held on the site of Chota, the ancient capitol and "Peace Town" of the Overhill Cherokees. Though the exact location of Chota is not known, it is calculated to be in the vicinity of Bacon's Ferry.

It could be reasonably deducted that the pageantry of last weekend was held without general public knowledge so as to avoid advance notice to the owner of the land upon which the ceremony was held. The owner, Mrs. Joe Monroney, Sr., whose family has owned Chota for over 150 years is an ardent supporter of the proposed Tellico Dam and thinks that its construction by TVA would be of great benefit to the area.

History was made for sure with the private petition presentation for it marked, according to Mrs. Monroney, the first time a Cherokee has been to Chota since she has owned it, more than 50 years, and, as she recalls, since it has been owned by her family. So the Cherokees, who usually only attend such functions for monetary consideration, undoubtedly had to be led to their ancient homeland by a paleface. There, they extolled how their hearts would break if TVA flooded a place they had likely never seen before.

We can only hope that when Justice Douglas presents the petition he received here to President Johnson, as he promised to do, he will also tell the President that 65 percent of the people of Monroe County, according to the survey of this paper, which is the best sampling of opinion taken in the area to date, are in favor of the Tellico project and that a majority of the landowners who will lose their land, according to the same survey, are also in favor of the project. We hope that he will also tell the President about the lack of industry in Monroe County and the expectation that this will be changed by the Tellico project.

That great Cherokee drama, "Unto These Hills," is a story about the mistreatment of the Indians by the white man and how the white man's greed drove the Cherokee from his land. The drama has been as good as a small oil well to the Indians of Cherokee, N.C. We would suggest that after TVA builds the Tellico Dam, the Association for the Preservation of the Little Tennessee River could supply the cast for another drama which could be appropriately called "Unto This River."

[From the Knoxville Journal, Mar. 4, 1965]

STATEMENT NOT HIS, SAYS ATHENS READER

In his Outdoors column last week, Walter Amann caustically condemned me, though not by name, for "popping off" in a letter to the editor of the News-Sentinel,

which he alleges to contain no essence of truth. I respect Mr. Amann's right to use his column in defense of the minority view on the Tellico Dam issue, but I suggest that it would be appropriate to check some of his own "facts."

If he will bother to check, Mr. Amann will find that he has mistakenly credited me with the statement that the game and fish commission planned a \$10 million trout development on the Little Tennessee. He raised no objection when this statement was first published by his "Save the Little T" trouters on February 6, but when I quoted them, with due credit, a few days later, the statement no longer contained the "essence of truth." I congratulate him on a fair job of debunking one of the objections his favorite minority has raised to the building of Tellico Dam. He might well check their releases for further absurdities.

How does Mr. Amann contend that trout fishermen contribute so heavily to the economy of the locality where they fish? They fill their gas tank before leaving home, pack a lunch, dig a can of redworms, and are self-sufficient until they return. If they stay overnight, they usually camp out. Occasionally they may locally purchase a jar of salmon eggs. On Tellico Lake, the boat docks alone would add twice as much to the local economy as the float fishermen.

I do have a degree of respect for trouters and the merits of their recreation, and think that the trout program should be developed to the extent that our crappie fishermen, available streams, and piscatorial obstetricians can support it without undue strain. But I see no reason to apologize to Mr. Amann's Little T Trout Tank Corps for referring to them as supermarket fishermen. When they place their recreational convenience ahead of the industrial development of three counties, the pseudonym does seem to contain an appropriate "essence of truth."

ATHENS.

M. C. MILLER, Jr.

SAYS TELlico LAKE WOULD PROVIDE SITES FOR CHILDREN'S CAMPS

EDITOR, THE NEWS-SENTINEL:

Too often the voice of the quiet, busy majority is drowned out by the raucous cries of a vocal minority, more dedicated to noise than to logic. The commonsense editorial approach of the News-Sentinel toward the Tellico Dam question has been in pleasant contrast to the pathetic din raised by certain sportswriters in need of an easy column, and trout fishermen disturbed at the prospect of driving an extra mile to dunk a redworm.

For the farmers whose land will be flooded, and the residents of the area who will have to relocate, we have every right to demand, and every reason to expect, a most sympathetic respect from TVA. Yet, in the long run, the building of Tellico Dam can be expected to prove an opportunity for the majority of these people. It is unfortunate that they are being organized to support the selfish interests of trout fishermen who would rather fight than switch to bass, and ancient politicians who long for the good old days because the future belongs to younger men.

Why was there no concern for the "wild river" when Chilhowee Dam was built? Chilhowee Lake was stocked with trout, the bass fishermen accepted progress, and no one worried about the farmers. Our conservation-minded trout fisherman were not concerned about the change of scenery. There is no reason to believe that Tellico Lake would not also be a scenic asset.

Let those who doubt that Tellico Dam would create new jobs by attracting new industries, take a look at the lower Hiwassee River. Let them check their newspapers and note that in the past 2 weeks two new industries have announced plans to locate in McMinn County. Let them check the industrial growth of Bradley County. Tellico Dam offers the same opportunity to Monroe, Blount, and Loudon counties, and for the same reasons.

Those groups who are genuinely interested in conservation, rather than selfish interests, might arrange to visit the Athens City schools' camp on Watts Bar Lake sometime. Here our Athens schoolchildren all have the opportunity to enjoy some of our natural heritage. Many of them would not otherwise have the opportunity to enjoy camping, boating, nature study, and even fishing. Sites for such camps as this are becoming scarce, and TVA might well be urged to reserve lands along the new Tellico Lake for other local school systems. Rather than fighting Tellico Dam, I would suggest that our local trout fishermen direct their efforts toward urging TVA to reserve areas along the new lake for the children of east Tennessee, too many of whom never even have the opportunity to catch a carp or bluegill.

ATHENS.

M. C. MILLER, Jr.

[From the Knoxville News-Sentinel, Feb. 10, 1965]

CALLS OPPONENTS OF TVA'S TELlico PROJECT SUPERMARKET FISHERMEN

EDITOR, THE NEWS-SENTINEL:

The crappie-bass-bluegill-sauger fishermen in east Tennessee, whose license fees largely support the game and fish commission's programs and bureaucracy, should find one statement of the "Save the Little Tennessee" propagandists quite interesting. In last Sunday's News-Sentinel this group claimed that Tellico Dam would destroy a \$10 million trout development program on the Little Tennessee.

Just who has been paying for this fantastic sop to this small minority of "elite" fishermen? Is this why the game and fish bureaucrats find it necessary to hike the price of fishing licenses by \$2? If the Little Tennessee trout are actually that expensive, then TVA could justify building Tellico Dam just on the potential savings to purchasers of State fishing licenses.

This loud but, fortunately, limited minority has made enough noise over Tellico Dam to scare the trout out of the Little Tennessee. Of course, they will be restocked regularly, and these "elite of fishermen" will be there, dangling their bait above the tanks when the spoon-fed fighters are delivered to their creels. Perhaps the extra loot from our higher license fees will enable the hatcheries to provide the extra convenience of cleaning, packaging, and freezing their limits before delivery.

With due respect for other groups who have more legitimate concerns about the Tellico Dam project, it is mainly the trout fishermen, mostly from outside the area, who are agitating against the project. These are not the trout fishermen who are willing to hike for miles for a native trout, but those who are content to display a limit obtained with supermarket convenience and classify themselves with the most skilled of anglers.

This well-heeled group is now prepared to go to Washington to protest the industrialization of the Tellico Lake area. I grew up in Monroe County, and know that an overwhelming majority of the citizens would rather see these supermarket Waltonians forced to go to Alaska looking for wild rivers full of trout, than to see their own high school graduates forced to go to Detroit looking for jobs.

M. C. MILLER, Jr.

ATHENS.

[From the Knoxville News-Sentinel, May 3, 1965]

NEWS-SENTINEL FORUM

SAYS TELlico PROJECT OPPOSITION IS HARMING TENNESSEE'S PROGRESS

EDITOR, THE NEWS-SENTINEL:

Recent articles have quoted leaders of the Association for the Preservation of the Little Tennessee as saying they were longtime supporters and friends of TVA; that they merely believed TVA was wrong in proposing to build the Tellico Dam and Reservoir.

Friends of TVA? What about just 1 of 53 ridiculous statements contained in a so-called "Tellico Dam Fact Sheet," prepared for the association by some "industrial development professional"? The statement reads, "Industries for the Tellico industrial sites will be solicited from other locations, taking away factories and jobs from other States through Government subsidy at taxpayers' expense." Experience has shown that the kind of major industries that would be established on the Tellico sites would be new industries established here because of the developed combination of essential resources available.

Surely this "industrial development professional" is aware of studies revealing that this has been true in the industrial growth taking place throughout the Tennessee Valley. Out of more than 4,000 new manufacturing plants which have been established in the region in the past 25 years, there has been a net in movement of only 24 relatively small plants from other parts of the country.

Surely, Preservation of the Little Tennessee members must realize that the above-mentioned statement is not directed at opposition of the Tellico project alone. It attempts to undermine the very existence of TVA. And it does harm to the efforts of everyone working for a progressive Tennessee. Leading members of the Association for the Preservation of the Little Tennessee should dis-

avow any alliance with such or assume the responsibility for the results that will come forth in the future from lack of understanding.

HOYT COOPER.

MARYVILLE.

[From the Knoxville Journal, Oct. 24, 1964]

LETTER TO THE JOURNAL

READER SAYS DAM MORE IMPORTANT THAN FARMS

With a great deal of interest I have read various publications, including editorial comment and letters from individuals, on the subject of whether or not the Tennessee Valley Authority should construct the Tellico Dam, and I have decided that it is my duty as a citizen and one who will be directly affected to publicly state the reasons why I think the dam should be built.

I say I will be directly affected because for the past 18 years I have owned a farm on the Little Tennessee River, a large part of which would be covered by the lake. I think I know that from a financial standpoint I would be the loser if this project is carried through, because in this inflationary period all farms are becoming more valuable in terms of dollars, and as the currency is inflated, land correspondingly enhances in value. I therefore regard my farm, and others similarly situated, as constituting a sound investment.

This, of course, is a selfish reason that would ordinarily prompt many of us to oppose this project, even though it has been my observation that the Tennessee Valley Authority has always dealt fairly with the landowners in its acquisition of their properties.

But, an impersonal, objective view, with a consideration of what is best for the most people over the long run, impels me, as I am sure it does many others, to advocate this project. I well remember the economic conditions in this area before the Tennessee Valley Authority moved in. Every bank in Knoxville had closed its doors and we were trading in script, businesses were bankrupt and unemployment and a substandard subsistence were at their worst.

With the advent of TVA the area was gradually transformed into a fertile, productive, and industrial one.

Now the TVA proposes to build a dam, one result of which will be the flooding of 14,000 acres of land as against the other result of the generation of additional electrical power, flood control, recreational and navigational facilities, and the creation of an industrial complex which will in a comparatively few years bring to this area multimillion-dollar industries and thousands of jobs for our children and grandchildren.

For many years now hundreds of thousands of farmers have been leaving their farms and going to industry for a living, and yet, today, thanks to improved machinery, fertilizers, seeds, and technology, farms are producing more and more every year than ever before, with the result that we have vast farm surpluses after we have eaten, sold, and given away what we produce—surpluses of farm produce that cost the taxpayers of this country several hundred million dollars a year for storage.

On the other hand, the crying need of every village, town, and city in this community is for new industry and new jobs for an exploding population—so much so, indeed, that our college graduates and trained technicians are leaving the State and going elsewhere for employment. Therefore, boiled down to its final analysis, it is a question of whether or not we want to keep 14,000 acres of land to produce what we don't need or have in our area a multimillion-dollar industrial complex to produce jobs that we do need.

To me the choice is clear, and I am willing to publicly stand up and be counted as one for the construction of the dam.

RAY H. JENKINS.

[From the Knoxville News-Sentinel, Oct. 10, 1964]

NEWS-SENTINEL FORUM

HE GIVES SOME REASONS FOR OPPOSITION TO TELlico DAM PROJECT

EDITOR, THE NEWS-SENTINEL:

I believe the public should have more opportunities to become familiar with the TVA's proposal to build Tellico Dam and Reservoir on the Little Tennessee

River. Some of the reasons for opposition to this proposal are contained in this letter.

TVA says the principal advantages of such a project are:

1. A new navigable waterway.

Already the mainstream of the Tennessee River has been made into a deep-water, commercially usable channel, with a 9-foot minimum depth, from its beginning at Knoxville to its mouth at the Ohio River, a distance of 650 miles. So there is no need in making the Little Tennessee tributary navigable. There are no towns or industries to be served along the entire distance of the proposed waterway.

NO FLOOD DANGERS

2. More flood control.

The Little Tennessee itself is already flood free. It is regulated by seven major dams: Thorpe, Nantahala, Fontana, Cheoah, Santeetlah, Calderwood, and Chilhowee. In 1947 an article in a scientific journal stated: "Because of the impoundments of the Little Tennessee River, it is no longer subject to floods." The article, published with permission of TVA, was written at a time when there were six, not seven, dams controlling the river. As for downstream flood control on the Tennessee, Ohio, and Mississippi Rivers, Tellico reservoir would add only 126,000 acre-feet of useful flood control storage to the existing 14,500,000 acre-feet of useful storage.

3. Increased generation of electricity.

The Little Tennessee is extremely well suited to hydroelectric production, as demonstrated by dams already built upstream. Of the major tributaries of the "Big" Tennessee, the Little Tennessee has the highest rate of discharge and out-ranks all others for power production. The additional kilowatt-hours of electricity which would result from construction of Tellico Dam is relatively insignificant when compared to the total TVA output of 68,500 million kilowatt-hours reported for 1963.

4. Opening of new industrial lands.

FARMS WOULD GO

While construction of Tellico Dam would create potential new sites, it would also inundate 14,400 acres of land along the present river, where good industrial sites have already been identified. The present river is already served by the L. & N. Railroad and Highway 411.

This proposed dam would, in effect, flood more than 33 miles of riverfront land in order to obtain 5,000 acres suitable for industries needing a navigable waterway. There are some 53 prime waterfront industrial areas remaining in Tennessee located on the navigable channels of the Cumberland, Mississippi, and Tennessee waterways. Moreover, industrial growth in TVA's eastern district, which includes all of the area of the proposed Tellico project, already exceeds that of its other four districts.

5. Extensive recreational benefits.

The need for additional reservoir recreation has not been demonstrated, particularly in the Little Tennessee River area. Within a 50-mile radius of that portion of the Little Tennessee River to be impounded are 22 other dams and reservoirs. As the number of reservoirs grows, so obviously does the number of streams decrease, with a corresponding loss of river recreation not afforded by reservoirs.

After careful considerations the Tennessee State Planning Commission recommended that the Little Tennessee River be preserved. Many sound reasons were given to justify this recommendation, besides treasure trove of archaeology, history, virgin timber, scenic beauty, prime farmland, irreplaceable sport fishing in this cold water stream (annual average temperature range of 45° to 65°), and recreational float potential.

JOHN H. MURRIAN.

SEES CONFLICTS IN TVA POSITION ABOUT TELlico DAM PROJECT

EDITOR, THE NEWS-SENTINEL:

A TVA spokesman says in your October 7 forum that benefits in flood control, power and navigation from the proposed Tellico Dam on the Little Tennessee River "are in fact very substantial."

This is in sharp contrast to statements made by TVA Chairman Aubrey J. Wagner at the September 10 meeting of the East Tennessee Industrial Council.

Mr. Wagner said the dam has "no national significance." He said there is "no compelling need" for flood control, power or navigation on the Little Tennessee.

As a matter of fact, the river is flood free, regulated by seven major dams of the TVA system. For downstream protection, Tellico Dam would add only 126,000 acre-feet of useful flood storage to the system's present capacity of 14,500,000 acre-feet.

The electric power generation of 200 million kilowatt hours per year is certainly a minor amount when compared to the 69 billion kilowatt-hour output of other TVA facilities—which, incidentally, comes mainly from steamplants, not dams.

There is no known demand for navigation on the Little Tennessee. Watts Bar Reservoir, into which the river flows, and Fort Loudoun Reservoir, which Tellico Dam and its canal would connect to the river, as part of the navigable Tennessee River waterway. Neither of these impoundments has ever attracted a substantial waterway user; there is not even scheduled barge service between Knoxville and Chattanooga.

Mr. Wagner stated to the East Tennessee Industrial Council that the "real reason" for Tellico Dam is the "scarcity of industrial waterfront land." He said 5,000 acres of such lands will be created by the \$41 million Tellico project.

This seems a high price to pay. The State-Local Waterfront Industrial Site Committee says in a published report that 53 prime waterfront sites in Tennessee, comprising some 72,000 acres, can be purchased for from \$40 to \$50 million total. All are served by rail, highway, and navigable waterway. Six of them are on Fort Loudoun Reservoir and seven on Watts Bar.

DAVID D. DICKEY,
President, East Tennessee Industrial Council.

[From the Knoxville Journal, Oct. 28, 1964]

TSPC POSITION ON DAM NOT FIRM

Permit me, by this means, to correct the apparently widespread impression that the Tennessee State Planning Commission has taken a firm position that the Tellico Dam should not be built, and "that the Little Tennessee River be preserved"

Widespread use has been made of quotations from a publication of the Tennessee State Planning Commission in conveying this impression. I would not charge that the quotations, which have been accurately transcribed, have been taken out of context for a specific purpose, but I would say that the thoughtful reader covering the quoted report in full, would come away with the correct impression that the report discusses alternatives and asks for thoughtful and careful choices to be made in connection with a number of sites and natural features having potential in connection with public recreation and tourism.

Yours very truly,

HAROLD V. MILLER,
Executive Director, State Planning Commission, Nashville.

[From the Knoxville News-Sentinel, Oct. 17, 1964]

NEWS-SENTINEL FORUM

PLANNING COMMISSION HAS TAKEN NO STAND ABOUT TELlico PROJECT

EDITOR, THE NEWS-SENTINEL: It has been repeatedly expressed, especially in letters to your forum, that "after careful consideration the Tennessee Planning Commission recommended that the Little Tennessee River be preserved." The fact is that the planning commission as a body has not taken an official position for or against the Tellico Dam and Reservoir proposal for the Little Tennessee. Publications of this agency have pointed to the potentials of the Little Tennessee in its present state (which is already highly altered from a natural stream by upstream storage) and have, on the other hand, recognized the various potentials of a reservoir at this point.

I have not seen the complete thesis written by David D. Dickey in connection with his studies at the University of Oklahoma, but I have seen a 26-page pamphlet apparently abstracted from that thesis and presumably circulated in some quantity. This appears to be a major source for the impression that the planning commission has taken a firm position on the Tellico Reservoir matter. That pamphlet quotes numerous sentences, or passages, from a publication of the planning commission and accurately transcribes the words used. The net impact of the selected passages is more persuasive than were the reader to cover the whole report, which emphasizes more clearly the concept of choice between alternatives.

Also, quotations originally written in connection with the Buffalo River or historic sites in middle or west Tennessee are presented in a sequence which might lead the reader to conclude that the Little Tennessee River, and more particularly that portion which would be directly affected by the Tellico project, was the only area or project under discussion. Actually, our publication pleads more for careful study and informed action in relation to a number of the State's potential recreation resources, rather than taking an arbitrary position.

HAROLD V. MILLER,

Executive Director, Tennessee Planning Commission, Nashville.

[From the Knoxville News-Sentinel, Oct. 20, 1964]

NEWS-SENTINEL FORUM

SAYS DICKEY DOESN'T SPEAK FOR MONROE COUNTY IN OPPOSING TELLICO PROJECT

EDITOR, THE NEWS-SENTINEL: In a recent letter to the forum Dave Dickey made an anti-Tellico project statement and signed it as president of East Tennessee Industrial Council. Does Dave speak for ETIC in this matter?

Some of our people attended the meeting and did not get the impression that such was the case. It is our understanding that when they are invited to speak to industrial development people they just put normal emphasis on industrial development.

Questions about flood control, power, and supply of potential industrial sites have been answered by TVA satisfactorily many times. To have the tired misrepresentations parroted by the Knoxville Chamber of Commerce industrial development man who purports to speak for the industrial development leaders in this area that would be benefited so much by the Tellico project is misleading.

Mr. Dickey is entitled to his opinion but he ought to be careful which hat he puts on when trying to influence others. He does not speak for the industrial development leadership in Monroe County on this matter. We support the Tellico project wholeheartedly.

HENRY A. JOHNSON,

Madisonville.

[From the Knoxville News-Sentinel, Oct. 18, 1964]

HE WOULD LET TVA MAKE OWN DECISION ABOUT TELLICO DAM

EDITOR, THE NEWS-SENTINEL: There has been a recent proliferation of opinion expressed regarding the proposed Tellico Dam project on the Little Tennessee River, by numerous luncheon clubs, trout fishermen, farmers, and other such entities. While such expression of opinion is to be expected and not decried in a democracy, it also is to be expected that the vast majority of such opinions will be uninformed at best, and biased at worst.

In this light it is my considered opinion (which is also of course subject to all the vulnerabilities expressed above) that TVA Board Chairman Aubrey J. Wagner's recent statement to the effect that the Tellico Dam would not be built without the support of the majority of those affected was somewhat ill advised. While I am certain that Mr. Wagner's remarks did not imply a door-to-door poll up and down the river, it would be my suggestion that TVA grasp the bull a bit more firmly by the horns.

It is known by only a few, and forgotten by many of these few, that the original TVA Act provided specifically for development of the total resources of the region. Now, two facts should be borne in mind:

1. The TVA has long been recognized as one of the most efficient agencies of the Federal Government and its abilities to assess and develop the resources of the Tennessee Valley are unparalleled by any other organization.

2. Mr. Wagner is an eminently capable administrator, and he is backed by an equally dedicated and capable staff, as anyone who has dealt with TVA and made objective observation can affirm.

Consequently, all this can lead to only one conclusion: The decision regarding the Tellico Dam should be left to TVA; any intelligent person who can unselfishly view the term "total resources" as seen by Senator Norris, President Roosevelt, Mr. Lillenthal and Mr. Wagner must come to the same conclusion.

RONALD B. MOORE.

[From the Monroe Citizen, Madisonville, Tenn., Oct. 21, 1964]

MARYVILLE, TENN., October 17, 1964.

MR. JOE G. BAGWELL,
Editor, Monroe Citizen,
Madisonville, Tenn.

DEAR MR. BAGWELL: I have read with much interest your article in this week's Citizen. By way of comment, I enclose to you a copy of my letter to the Chairman of TVA in which I endorse the building of Tellico Dam.

My land in Monroe County is the old Cherokee Indian capital, known as Echota (or Chota), and same has been owned by my family since that time. It has been my desire for a number of years to see this site restored. Such a restoration would be a great tourist attraction in conjunction with Fort Loudon. It is a pity that members of our several historical societies have not deemed it of interest to erect a suitable bronze plaque on marble or granite stone to commemorate this old historical site. Such a monument could be placed on high ground thus telling somewhat of the story of the old Cherokee settlement in our county.

It was a pleasure to read your report of the survey your paper made. There are ever so many people in favor of the Tellico project who would not take the trouble to answer and send in your questionnaire or I am sure the survey results would have been very much more in favor of the project percentage-wise than the answers you received indicated.

Very sincerely,

MRS. DILLON MORONEY.

[From the Knoxville News-Sentinel, Oct. 20, 1964]

LENOIR CITIAN BACKS TVA'S TELlico DAM

The article on the front page of a recent edition concerning the Tellico project meeting at Greenback, Tenn., on Tuesday night doesn't do justice to the writer, to you, to the newspaper, and certainly not to those present at the meeting.

Your writer stated that if the consensus of those present at the meeting was any indication, then the plans for the Tellico project would be shelved. After talking to many of those present at the meeting and listening to what was said by Mr. Wagner and many of those present, it is inconceivable how your writer could have drawn the above conclusion. His statement apparently borders on the edge of prevarication—if not a plain untruth.

Maybe your writer went there with your blessings as to the viewpoint he assumed. If so, then it is my opinion that you and the writer should do some soul searching because it is quite feasible that were it not for the presence of TVA in this area you and your writer might well be relegated to the issuance of a weekly newspaper instead of a well-known daily.

I don't take your newspaper daily—primarily because of your stand against progressive endeavors similar to the Tellico project. I did not attend the meeting as a pro-Tellico project individual but an interested citizen. I heard but a few remarks opposed to the project and those were primarily by trout fishermen. Do we have any concrete proof that the Tellico project would disturb trout fishing, much less ruin it as the fishermen aver? Are we to let trout fishing stand in the way of development of a region that could so well use it? If so, then you and your staff should start selling fish instead of newspapers.

WALDE D. MARLER.

LENOIR CITY.

[From the Knoxville Journal, Apr. 7, 1965]

TCDA HEAD LASHES DAM CRITICS

LENOIR CITY, April 6.—The president of the Tri-County Development Association, Dr. W. D. Thompson, today took issue with opponents of the proposed Tellico Dam who have compared the industrial potential of Tellico Reservoir with Meigs County.

Persons opposed to the construction of the dam by Tennessee Valley Authority have charged that, although Meigs County has long enjoyed the industrial benefits promised for the Tellico project, such as ready access to navigation and much industrial development land, industry has not flocked to the county, Dr. Thompson said.

Critics of the proposed project have failed to note, however, that Meigs County does not have a railroad, he continued, pointing out that it is 12 miles from Decatur, the Meigs County seat, to the nearest rail service.

In a prepared statement, Dr. Thompson said:

"TVA repeatedly has pointed out that Tellico would provide the essential combination of features for prime industrial sites at one location. These include a large acreage; reasonably level land to permit economical construction; a full range of transportation facilities—rail, highway, and waterway; and land undeveloped and held in as few ownerships as possible."

[From the Knoxville News-Sentinel, Apr. 7, 1965]

NEWS-SENTINEL FORUM

SAYS ANTI-TELICO SPOKESMAN DOWNGRADES INDUSTRIAL POTENTIAL

EDITOR, the News-Sentinel:

Recent statements which attempt to downgrade the industrial benefits which can accrue to the London-Blount-Monroe County area from the Tellico Dam and Reservoir distort the true picture of the factors necessary for major gains in industrialization and the need for such gains in the tricounty area.

For example, an account of a speech published in area newspapers last week contained the quotation, "Meigs (County) has long enjoyed all the industrial benefits promised for the Tellico project, yet despite such ready access to navigation and much industrial development land, industry has not flocked to this area."

Meigs County doesn't even have a single foot of railroad within its borders. From Decatur, the county seat, it is 12 miles to the nearest rail service. The availability of rail transportation is a necessity for significant industrial growth.

TVA repeatedly has pointed out that Tellico Plains would provide the essential combination of features for prime industrial sites at one location. These include a large acreage; reasonably level land to permit economical construction; a full range of transportation facilities—rail, highway, and waterway—and land undeveloped and held in as few ownerships as possible.

Now examine some of the other "long enjoyed industrial benefits" which the anti-Tellico speaker claimed for Meigs County. The area borders a portion of the Tennessee waterway, to be sure, but much of the waterfront land is hindered by very rough terrain. In addition to lacking rail transportation, no U.S. highway crosses the county. It is significant to note that where the factors for major industrialization do exist—across the line in McMinn and Bradley Counties—the industrial growth at Calhoun and Charleston is tremendous.

In no way do we intend to disparage the progressive citizenry and other advantages available in Meigs County, but to say the area now enjoys all of the industrial benefits promised by the Tellico project reflects an appalling departure from the facts. Tellico Dam and Reservoir will help provide the long-awaited base for growth the tricounty area must have for its future progress.

DR. W. D. THOMPSON,

President, Tri-County Development Association, Lenoir City.

[From the Knoxville News-Sentinel, May 3, 1965]

DECLARES REAL POTENTIAL IN AREA IS DEVELOPMENT OF INDUSTRIAL SITES

EDITOR, the News-Sentinel:

While the opponents of Tellico Dam are playing Cowboys and Indians, the rest of us in this area are supporting programs which will provide jobs for this and future generations of young people.

An agricultural economy may be highly satisfactory for the relatively few people it will support, but it provides no answer for the problems confronting most people in this area. The real potential of the Little Tennessee Valley is in industry and commerce and not in attempting to preserve some fields and pastures because they once were the sites of Indian villages.

A few trout fishermen and professional outdoors lovers may make a lot of noise, but they do not speak for the majority of the people. We want the Tellico Dam as a basis for further development, jobs and prosperity.

FRANK HILDRETH.

LENOIR CITY.

[From the Knoxville Journal, Feb. 5, 1965]

DEVELOPMENT GROUP FAVORS TELlico PROJECT

Do not be misled. Those of us who were in favor of the Tellico project at the outset, and the many thousands of us who realize how badly this project is needed, should not be misled. Right now is the time to concentrate our efforts in a united front in favor of the project.

We now realize how this project—as intended all along—will create new jobs by attracting new industries, and will thus greatly improve our business economy. We also know how the hydro output will be greatly increased at Fort Loudoun Dam by feeding the water from the Little Tennessee into Fort Loudoun Lake. This will also provide greater flood control downstream, and will permit barge traffic from the Little Tennessee, as new industries come into our area.

The most common complaint concerning the Tellico project that we have heard is, "If industry wants to come in, why haven't they already picked a site on the banks of Fort Loudoun?" Many of us now realize that land speculators who bought large tracts of land along the main stream priced it so high that potential industries refused to pay the price. We now know that TVA plans to keep control of the Tellico Lake shoreline and plans to work with local governments and with chambers of commerce in the Tellico area in order to attract good industries without them being scared away because of the high price of land.

Why unite now? Wasn't the project approved? No. The initial appropriation to start the project was included by President Johnson in his budget. The budget still must be approved by Congress, and our Congressmen must see that the initial appropriation is left in the budget. How can we help? What can we do about it?

This is what we can do. All of us must write our Senators and Representatives a short letter, telling them we want them to support the project. By doing this, we can all feel that we personally had a hand in building the Tellico project.

TELlico TRICOUNTY DEVELOPMENT ASSOCIATION.

[From the Times, Maryville-Alcoa, Tenn., Dec. 17, 1964]

LETTERS TO EDITOR

ON TELlico PROJECT

DECEMBER 7, 1964.

DEAR EDITOR: I have read and heard a considerable amount about the crying need to "Save the Little Tennessee River" and "Let us preserve it as a free flowing stream." And I have searched for an answer to my question "For what or for whom?" These past few days I have made some study of the Tellico Dam and Lake project, as proposed by the Little Tennessee River today consists largely of manmade lakes created by a series of hydroelectric dams. These lakes are approximately a total of 73 miles of the river. Beginning in the upper reaches of the river we have a series of dams and lakes named Thorpe,

Nantahala, Fontana, Santeeflah, Cheoah, Calderwood, and Chollhowee, Fontana was built by the TVA and the other six by the Aluminum Co. At no time during the construction of these manmade lakes has there been any voice raised to "Save the Little Tennessee River." Why, now, this sudden cry of despair and entreaty to preserve this river and not build one more dam and lake? I am at a loss to understand this sudden desire to keep the "free flowing" stream. The river is no longer a free flowing stream. It is, and has been for many years, a well controlled stream controlled efficiently for flood control and electric power.

In connection with Fontana Dam and Lake, the TVA has given us a thriving town of Fontana Village with a comfortable income from tourist and lake fishing, before dreamed of. We can have a similar development along the shores of Tellico Lake, and also good recreation parks, boat docks, and other public benefits too numerous to mention, all for the public good.

The quality and volume of water flowing down the mountains through these seven dams and lakes is excellent. This water is one of our great natural resources and has great potential for development for the public good in a tricounty area. With the construction of Tellico project we would have an increase in the volume of this valuable water supply. And with the construction of a navigation channel for barge transportation we would have an even higher potential for industrial development.

Recently reports have been made of the serious loss of population in the tricounty area of Blount, Loudon, and Monroe Counties, due to a scarcity of job opportunities. Our graduates have left this area to seek employment in States to the north and west where better job opportunities are to be had. In a 10-year period Tennessee had a net out-migration of 8.3 percent and our tricounty area lost 15.2 percent, whereas the Nation as a whole had a heavy increase in population. Thus, our three counties have lost these young people as new family heads, as citizens, as part of our consuming, purchase power, and very importantly, as taxpayers.

With all of these thought in mind I have concluded that the Tellico Dam and Lake will be of great public benefit in our tricounty area and the project should be undertaken at the earliest possible time.

Very sincerely yours,

ROY L. HEDRICK.

MARYVILLE, TENN.

[From the Tennessean, Nashville, Tenn., May 26, 1965]

TELICO DAM SPELLS PROGRESS

TO THE EDITOR: The question of whether Tellico Dam should be built is bothering many east Tennesseans today. The building of Tellico Dam will put farmlands, old Cherokee Indian towns (including the sacred Choate) under water. However, it seems that the building of Tellico Dam will increase the transportation system of Tennessee to a maximum of service.

The Tellico Dam Reservoir will be connected to the Fort Loudon Reservoir thus meaning increased electrical output at Fort Loudon Dam. The dam will also bring new industries into east Tennessee, thus meaning more people can "stay" at home after graduating from high school and/or college.

This increase in population will make it possible for many communities to begin renovation of rundown, outdated business districts. I believe the advantages of Tellico Dam far overshadow the disadvantages. I also believe that Tellico Dam is another step in Tennessee's ever-progressing future.

ROBERT ALLEN.

MARYVILLE, TENN.

STATEMENT OF W. E. MICHAEL, ATTORNEY, SWEETWATER, TENN.

Mr. Chairman and members of the committee, by way of introduction my name is W. E. Michael, of Sweetwater, Monroe County, Tenn. By occupation I am an attorney, having practiced in Monroe County and east Tennessee for nearly 40 years. I am at present serving my second term as a member of the General Assembly of the State of Tennessee, representing Monroe and Polk Counties. I am chairman of the "Cherohala" Commission, which is a commission created by act of the Legislature of the State of Tennessee, whose members

are appointed by the Governor of the State. The functions of this commission are to assist in the planning and development of highways, roads, recreation areas, and development of tourist potential of the counties comprising the southern end of the Cherokee National Forest. I am also one of the attorneys for the Fort Loudoun Utility District, which for years has been endeavoring to establish a water system at Vonore, Tenn., deriving water from the Little Tennessee River for service to patrons in Monroe and Loudon Counties. I am also a director of the Fort Loudoun Association, which is dedicated to the preservation and restoration of this historic landmark on the banks of the Little Tennessee River.

The Tennessee Valley Authority has proposed the building of a dam across the Little Tennessee River at Lenoir City, Tenn., just below the Fort Loudoun Dam and at the point where the Little Tennessee River empties into the Tennessee River. This has become known as the Tellico project. If constructed a large part of the lake created by this dam would lie in Monroe County, and I am, therefore, interested in this project from all four of the positions which I hold.

I would like to emphasize, however, that I am appearing only on my own behalf and not on behalf of any organization or group.

For many years I served as chairman of the Monroe County Industrial Committee. In this capacity, I learned of the many potential industrial advantages possessed by those portions of Loudon and Monroe Counties, Tenn., lying near Vonore, Tenn., through which flows the Little Tennessee River. These potentials have been recognized by numerous persons and organizations interested in industrial development.

These assets include cold, clear, soft water from the Little Tennessee River, an abundant supply of TVA electric power, ready access to the mountainous areas for recreation, easily available natural gas, good highway and railway connections, and easy access to a commercial airport. Added to these potentials must be considered an excellent supply of available labor. In my opinion, the area lacks two things: First, a potable water supply which we are trying to acquire, and second, deep water transportation which would furnish competitive freight rates and transportation for such items as crude iron ore, crude barytes ore and marble, which abound within easy hauling distance of the proposed lake. I sincerely doubt that there is any other location in the entire Tennessee Valley that possesses all of these potentials to the same degree.

I am aware that several objections have been advanced to the construction of the Tellico project. Some of these in my opinion, do not merit serious consideration. One such objection is the emphasis upon the Little Tennessee River as a float trout stream. Trout fishermen generally will agree that this benefit is very minor, and because of the extremely rugged nature of such fishing it would appeal to a very limited number.

While the construction of this dam materially affects Fort Loudoun, I am convinced from our conference with TVA officials that this problem can be satisfactorily settled without doing great damage to the fort. Many people insist that it will in fact benefit the fort in some respects, such as bringing additional visitors.

Of all the objections of which I have heard the one which in my opinion deserves serious consideration is the question as to whether or not landowners whose properties are condemned will derive just and fair compensation. This question should be given very serious consideration. Under the TVA Act the landowner is not permitted to demand a jury to try the issue of his or her damages in TVA condemnation proceedings. This condition, therefore, arises from the act of Congress and not from any policy of the TVA, because the TVA must proceed according to the statutes. I suggest an amendment to the TVA statute, such as has been introduced in the House, and recognized, at least in part, in the report of the House Appropriations Committee. This amendment would give either party to a TVA condemnation suit the right to demand a jury to try the issue of damages. The right to trial by jury is regarded by most Americans as a sacred right, and although it may not always produce the best results, it is the best procedure devised by man to protect the rights of the individual citizen. As a lawyer I am fully aware that such an amendment would meet overwhelming support of landowners in this area, and of lawyers throughout this section.

In summary I submit that the economic welfare of this entire section would be greatly enhanced by the construction of the Tellico project. My belief in the

necessity of the jury amendment is not intended as a criticism of TVA, but rather as a suggestion for much needed legislative reform.

Respectfully submitted.

W. E. MICHAEL.

STATEMENT OF JOE G. BAGWELL, EDITOR, THE MONROE COUNTY CITIZEN-DEMOCRAT, MADISONVILLE, TENN.

Honorable Senators, I am editor of the Monroe County Citizen-Democrat which is a weekly newspaper published in Madisonville, Tenn. Out of 150 weeklies published in the State we are the 16th largest and the largest published and most widely read newspaper in Monroe County, 1 of the 3 counties most directly concerned with the Tellico project.

It is my purpose to assure you that the people of Monroe County are in favor of the Tellico project, contrary to what the opponents of the project may say. I can say this because I have caused a survey of public opinion to be taken. It is the only survey that has been taken attempting to sample the opinion of the people concerning the Tellico project.

In September of 1964, when my newspaper was known as the Monroe Citizen, I inserted a survey questionnaire on the front page of my paper, which had approximately 3,000 circulation at the time. (See exhibit No. 1.) We asked several questions in the questionnaire, but, we were particularly interested in the opinions of people who expected to lose their lands if the dam were built as opposed to the opinions of those who would not lose their land.

A few weeks later we published the results of the survey (see exhibit No. 2) and the results appeared to show a great majority of the people in favor of the project. Of those participating, 63½ percent indicated that they favored the dam, 35 percent were against it, and 1½ percent were undecided.

Of those who expected to lose their land to the project, some 23½ percent of the total, 64½ percent favored the dam.

In February of this year, after we had purchased a competing newspaper and changed our name to the Monroe County Citizen-Democrat, I caused a similar survey to be taken. (See exhibit No. 3.) However, due to the cooperation of some of our advertisers, we circulated over 9,500 copies of this issue by mailing samples to all the rural box holders in the county.

The second survey had results very similar to the first. (See exhibit No. 4.) Of those participating in the second survey, 65 percent indicated that they were in favor of the Tellico project, 35 percent were still opposed, and none indicated that they were undecided. Of those responding, 36 percent stated that they expected to lose their land to the project. Of this number 52.8 percent favored the dam while 47.2 percent said they were opposed.

The close proximity of results of the two surveys indicate a certain degree of accuracy. However, if there be any lacking as to the results it would be the great amount of people who favored the dam but were complacent. The entire history of public sentiment as to the Tellico project was based upon the belief the TVA would have no trouble in getting the money for the dam. This is particularly pointed out by the fact that a great landswell of supporters came forward soon after the House of Representatives deferred action on the project and omitted funds from the TVA appropriation. Therefore, the most likely possibility of error would still be in favor of the proposed dam.

Respectfully submitted.

JOE G. BAGWELL,
Editor, the Monroe County Citizen-Democrat.

EXHIBIT NO. 1 TO THE STATEMENT OF JOE G. BAGWELL

[From the Monroe Citizen, Madisonville, Tenn., Sept. 30, 1964]

Editorial

THE DAM IS STILL A GOOD IDEA

A complacent attitude toward the proposed TVA Tellico Dam, though we have been urging action for a year or more, has turned into a very militant attitude in the past few weeks. We are glad to see both the "fors" and the "agins" letting their views be known and we are also glad that TVA has expressed an interest in how the people feel about the dam.

In "Letters to the Editor" last week two Monroe Countians expressed well-founded doubts that the proposed dam would be to the best interests of the people in our region and they asked some very important questions about the situation. We cannot answer all the questions asked but will answer some in the best way we know how.

While it is true that the lake will cover some 14,000 acres, it is not true that the counties involved will lose all the taxes now paid on those farms. TVA would pay an amount to each county affected each year in lieu of taxes. The amount may not be as great as the taxes paid now but the increased value per acre of land bordering the lake, particularly suitable building sites, would more than make up the loss to effected counties in a few years.

It is true that some of the best farms in Monroe County will be covered by water. This would be a shame but it is one of those prices paid a minority for the best interests of the most people, which we think the dam would be. We are sure that most of the farmers in the lake area could find land just as suitable for their needs without moving away very far. The loss of this land, however, is no worse a shame than the waste some farmers make of their lands through poor farming practices. If the farmers in the lake area are better than average, they will improve the remaining farms in the area.

Much of the 14,000 acres that would be covered up would not be suitable for industrial sites although we agree that the Little T, as is, could be developed industrially to a great extent. Much of the low area along the river still becomes flooded at times and could not be used for anything but farming without very expensive flood preventive measures. The 5,000 acres of "prime" industrial sites that the TVA proposes to buy for eventual resale will be more than enough land for industrial development of the region of the lake, considering all the other sites in the surrounding area. The development of the proposed lake for recreational purposes would in our opinion surpass most of the other TVA lakes. The industrial prospects would be enhanced by reasonable land prices (presuming TVA prices would be reasonable), a major north-south highway and an important railroad both crossing the lake, and the close proximity of natural gas and electric power along with relatively level high land. New lakefront locations in east Tennessee have such a concentration of industrial necessities. You can ride up the Tennessee River and see lots of level land on each side of the stream but a few possible sites offer as much as would the lakeside area between Vonore and Greenback if the dam were built.

We are still interested in a more detailed explanation of how TVA can assist in industrial development after the lake is built and we are concerned that every landowner gets a fair price for his land, but still we believe that the "promises" of TVA are more valid than the "promises" of the Tennessee Game and Fish Commission as to developing the Little T into a \$3 million trout-fishing industry.

EXHIBIT No. 2 TO THE STATEMENT OF JOE G. BAGWELL

[From the Monroe Citizen, Madisonville, Tenn., Oct. 14, 1964]

DAM VERSUS CHEROKEE HISTORY

(By Joe G. Bagwell)

Many of the citizens who oppose the proposed Tellico Dam object on the basis that the village sites of the Overhill Cherokee Indians will be covered up and forever lost. It is my contention, however, that the construction of the dam will be the very thing that may cause a great wealth of history to be found.

A beautifully illustrated and factual book was published about 7 years ago that I believe its authors would admit would not have been in existence today if it had not been for the construction of Chickamauga Dam at Chattanooga. The threat of water covering up a large island at the mouth of the Hiwassee River accelerated plans for excavating the island where a vast treasure of artifacts and bones provided University of Tennessee anthropologists with important knowledge about the primitive inhabitants of this region. These same University of Tennessee scientists told me that only a small amount of excavating has been done on the outskirts of the site of Echota (or Chota), the ancient capital of the Cherokees.

Echota may reveal some of the most vital information ever discovered about the Cherokees. An indication of what might be found under the ground at Echota was the discovery there about a year ago of a cannon which is believed to have come from Fort Loudoun. The present owner of the land, who plowed up this important relic, reportedly refuses to let his find out of his possession.

Historical research tells us that Echota was a "peace town" and no violence was permitted to occur within its limits. White men escaping Cherokees bent on doing them in and criminals could enter the town and no Cherokee would touch them, so long as they remained there. Lt. Henry Timberlake, a British soldier and the first official white visitor to the Overhill Cherokees following the Fort Loudoun massacre, described Echota as a "metropolis" and there is no doubt that a lot can be learned about the original inhabitants of this land from the scientific exploration of the site, which may be a long time coming if the Tellico Dam is not constructed.

To give you another example of how little we have cared in the past about our local history, there is not even a historic marker, on the highway or anywhere else for that matter, that a Cherokee Indian village once located near Echota and in Monroe County is the oldest place in the world to bear the name of our State and is, in fact, the very place where the name "Tennessee" originated.

I do not wish for the construction of the Tellico Dam to be our punishment for not caring about the history of our county. I am hoping instead that it will focus our attention to the responsibility of finding out what is under the ground at Echota, Toqua, and many of the other historic places along the river.

Mr. A. J. Wagner, Chairman of the TVA, told me a week or so ago that the particular elevation of the Echota site may allow it to be saved with a small dike. There is not much likelihood that TVA will attempt this, however, unless people who are interested in preserving the land for its great historical value show their interest.

EXHIBIT NO. 3 TO THE STATEMENT OF JOE G. BAGWELL

[From the Monroe County Citizen-Democrat, Madisonville, Tenn, Feb. 3, 1965]

An editorial

HOW DO YOU STAND?

With the announcement last week that the proposed Tellico Dam was included in President Johnson's budget message to Congress, louder, if not more, opposition is being heard. The Association for the Preservation of the Little Tennessee River, which was organized to resist the building of the dam, has been getting an outlet for its views in the Knoxville Journal and at least one Knoxville television station. An example of the assistance their cause has been getting is in the form of a cartoon which was published yesterday in the Knoxville Journal and is reprinted on this page with the Journal's permission.

The Journal carried a front-page story Monday which listed 21 groups as reportedly being opposed to the dam. Those groups named were: Vonore Lions Club; Tennessee Game and Fish Commission; Tennessee Outdoor Writers Association; Tennessee Farm Bureau Federation; Monroe County Farm Bureau; Monroe County Livestock Association; Monroe County Farmers Cooperative; Greenback Farmers Cooperative; Sweetwater Valley Feeder Pig Association (a 10-county group); Chattanooga Trout Association; Chilhowee Rod & Gun Club; Tennessee Conservation League; Southeastern Outdoor Press Association; Cherokee Sportsman's Conservation Association; McMinn County Farm Bureau; East Tennessee Duck Hunters Association; Chattanooga Realtors Association; Fort Loudoun Association; Nation's Capital Chapter of Trout Unlimited, and the Blount County Livestock Association.

As president of the Little T group, Mr. J. M. Lackey of Vonore is the chief spokesman in opposition to the proposed dam. In Monday's Journal, Mr. Lackey was quoted as saying:

"TVA has given great publicity to the relatively small number of persons favoring the dam. We know that a majority of the people directly affected by the project are against it."

The editorial staff of this paper, not without opposition in the "ranks" has supported the proposed Tellico Dam in general and it is our finding that "most" of the people in Monroe County, as well as those "directly affected," are in favor of the dam. Our opinion was born out by a survey taken by the Monroe

Citizen, forerunner of the Citizen-Democrat, in September of last year. Our survey showed that most of the people in the county, including those who expect to lose their land, were in favor of the dam.

Adhering to the old saying that goes "when in doubt, do it over," the Citizen-Democrat would like to repeat the survey taken in September. The citizenry is more informed about the issues now and the fact that this paper is being distributed free to all rural boxholders in Monroe County should give a more reliable result.

On this page there is a "survey questionnaire" which we are asking the readers to clip and fill out. Follow the instructions printed on the questionnaire but, please—only one questionnaire per household.

The questionnaires will be opened with other mail and kept separately until a time that will be announced next week, when the results will be tabulated. Anyone interested in accuracy of the survey is invited to witness all phases of receiving the questionnaires and tabulating the results.

EXHIBIT NO. 4 TO THE STATEMENT OF JOE G. BAGWELL

[From the Monroe County Citizen-Democrat, Madisonville, Tenn., Feb. 17, 1965]

Letter to the Editor

JUDGE REPLIES TO EVANS

MR. JOE BAGWELL,
Editor, the Citizen-Democrat,
Madisonville, Tenn.

DEAR JOE: In last week's edition, Mr. Evans of TVA, finally made the following admissions:

1. That no tax money is paid to Monroe County by TVA through the State.
2. That the only taxes being paid to Monroe County by TVA is for property bought by TVA about 30 years ago from the Tennessee Electric Power Co.; that the taxes paid to the county are based upon the amount paid for such property at that time; and the tax rate is based upon the average tax rate for the 2 years previous to the time of purchase.

It is interesting to note that the tax rate in 1935 was \$2.17 per hundred, and has been gradually raised through the years until it is now \$4.25 per hundred. Also that the assessed value of all property in Monroe County has increased manifold since 1935, except this TVA property, and all other property owners have paid taxes at a higher assessed value and higher tax rate these 30 years. Yet TVA still claims to make payment in lieu of taxes, and that the county suffers no loss.

3. TVA also admits that they have paid no additional, or added taxes, during these 30 years for the thousands of dollars spent in purchasing additional property, easements, in building new powerlines, substations and other improvements to their property in the county. Why hasn't the value of these improvements been added to the value of this property by TVA and more taxes paid? The revenue from power production has increased manifold during these years. Topoca, Inc., a private company, just last year made additional improvements to their property in Monroe County, and had a supplemental assessment of \$12,500, and paid \$531.25 in additional taxes because of these improvements.

In Mr. Evans' letter he states that the distributors of TVA power pay certain taxes to Monroe County. He is taking credit for taxes paid by the Fort Loudoun Electric Co-op, and the Sweetwater Electric Co. They are incorporated under Tennessee law, and are not built by TVA funds. I helped pass bills through the legislature under which some of these were organized. TVA claims ownership of them because they practically control them by the power contract, and anyone can see that TVA's influence on Fort Loudoun Electric Co-op, the Sweetwater Power Co., and Lenior City Electric system, is reflected in the employees support for building the dam, although Fort Loudoun Co-op will lose a lot of customers when the dam is built.

TVA's claim that the county will suffer no loss, now seems to be based upon the improvements the dam is supposed to bring in the next 25 years. The railroads improved this country, and we would now be lost without them, yet they pay taxes at the present evaluation and the current tax rate. We taxpayers didn't finance them either, like we did TVA.

The Aluminum Co., has been of great benefit to this area, and it is supporting thousands of families in these three counties now, yet it pays taxes on the same basis as other taxpayers.

In the articles to this paper, I have clearly proven that Monroe County is not being treated right in the division of power income by TVA. Unless they adjust this with the county, I am requesting congressional investigation. TVA should pay in lieu of taxes, or quit claiming that they do.

Sincerely,

SUE K. HICKS.

DELEGATION IN SUPPORT OF TELlico DAM

Mr. JENKINS. But that—what I have said represents the convictions of the heart of a man who is a convert to this and the construction of which would result in, I think, serious damage to me personally, certainly a lot of inconvenience and a sentimental loss of my farm, because it is right on the river. But from an unselfish standpoint, and taking into consideration primarily the welfare of thousands of people who are begging for jobs and leaving that area, I think that this project, as well as Tims Ford project, are most worthy as the result of the study and the conclusions of I think the finest, ablest agency of the Government, and I trust it will get favorable action.

Senator HILL. How many friends do you have here with you?

Mr. JENKINS. Everybody that has a carnation on, Senator. It is an emblem of love down in our part of the country. [Laughter.]

Senator HILL. Any estimate?

Mr. JENKINS. Several hundred. [Laughter.]

Senator GORE. Mr. Chairman, I would like to put in the record a list—this is a list of the people appearing here in behalf of the Tellico project. I would like this to be a part of the record.

(The list follows:)

LOUDON COUNTY

Bart Iddins, dairy farmer.

Dr. W. D. Thompson, dentist and president, Tellico Tri-County Development Association.

Ross Wilkerson, squire, Loudon County Court and chairman, Loudon County Industrial Committee.

J. W. Wilburn, Jr., businessman and president, Lenoir City Chamber of Commerce.

Vernon McKinney, editor, Lenoir City News-Banner.

John Cardwell, farmer.

Clarence Burdett, president, Lenoir City Bank.

Guy Tallent, mayor, Lenoir City, Tenn.

Harvey Sproul, attorney, Lenoir City.

A. M. Beeman, Jr., Lenoir City.

KNOX COUNTY

Dr. Robert W. Newman.

Sexter Willis, Willis Supply Co.

Jim Blevins, Kays Ice Cream of Knoxville.

Ray Jenkins, attorney.

Charles Freeman, Culligan Soft Water Co.

Howard Bozeman, County Judge.

Bradley Van Hoesen, Southern Enterprises.

Leonard Rogers, mayor of Knoxville.

John Bailey, vice president, Hamilton National Bank.

Mike Handley, Knoxville Area Central Labor Council.

Aston Kennedy, president, Volunteer State Bank.

Charles Freeman, Jr., Culligan Soft Water Co.

Conley E. Morris, businessman, Knoxville.

Willard Yarbrough, Knoxville News-Sentinel.

MONROE COUNTY

Lowell Parker, National 5¢ & 10¢ Store, Madisonville.
 Henry Johnson, Hicks Furniture Co., Sweetwater and Madisonville.
 Charles Hall, mayor, Tellico Plains, Tenn.
 H. G. Gangwer, Sr., Fort Loudon Electric Co-op, Madisonville.
 Paul Anderson, mayor, Madisonville.
 Joe G. Bagwell, editor, Monroe Citizen-Democrat, Madisonville.
 J. D. Lee, attorney, Madisonville.
 Van Michael, attorney, Sweetwater.
 Lynn Sherlin, Radio Station WDEH, Sweetwater.
 Carroll Cagle, Firestone Store, Madisonville.
 Ted Hamilton, Sequoyah Drive Inn, Tellico Plains.
 O. S. Sexton, High School Principal, Madisonville.
 Fred Hawkins, retired businessman, Tellico Plains.
 Kenneth (Sam) Ingram, Prudential Insurance Co., Sweetwater.
 Ronald P. Saylor, executive director, Monroe County Industrial Development Association.
 Sanford Tate.

BLOUNT COUNTY

Frank Bird, attorney.
 Roy Headrick, United Steelworkers, Local 309.
 Hoyt Cooper, United Steelworkers, Local 309.
 F. A. Greene, Greene Realty Co.
 Hugh Calloway, president, Calloway Oil Co., Maryville.
 Pat Moroney, Moroney Oil Co.

LOCAL SUPPORT FOR PROJECT IN EAST TENNESSEE

Senator GORE. I see Judge Bozeman from Knox County, the mayor of Knoxville. There are many people here.

Could I ask one question.

Senator HILL. Yes, certainly.

Senator GORE. What percentage of the people in east Tennessee do you think would support this project?

Mr. JENKINS. I am glad you asked me that question, Senator Gore. In Monroe County, my home county, the mayor of my town, Mr. Charlie Hall, is here. He tells me that conservatively 90 percent of the people in Monroe County are for it, and a survey of the members of the county court of Monroe County shows practically all the members are for it.

In Knox County, home of the city of Knoxville, sir, there are 19 justices of the peace, 18 of them have declared themselves for the construction of the dam. Overwhelmingly, Senator Gore, the people are for it.

While there has been a very vociferous and articulate opposition, recently there has been a great impetus given to this movement because it is realized that it will contribute to the economy and the pleasure and the recreation, the benefits of not only these three counties, but of adjoining counties, and indeed to the entire Nation.

Senator GORE. Your time is up.

Mr. JENKINS. Thank you very much.

Senator ELLENDER. How many people in these three counties?

Mr. JENKINS. In the three reservoir counties, about 106,000. Including the adjacent metropolitan area about 300,000 altogether.

Senator ELLENDER. That includes Knoxville?

Mr. JENKINS. Yes, sir.

Senator BASS. At least 350,000 people in the area.

Senator HILL. Thank you, Mr. Jenkins, very much.

Mr. JENKINS. Thank you, gentlemen, for hearing me.

Senator GORE. I am trying to divide the time as equally as possible and still leave a little time for the other groups that wish to testify.

I will now call upon the gentlemen who wish to speak in behalf of the Tims Ford project—Commissioner King, State Administration, Tennessee, and Mr. Bill Smith.

Since there are two of you, I wish you would try to confine your remarks to 6 or 7 minutes each.

Senator HILL. All right, gentlemen, you may proceed.

STATEMENT OF DONALD R. KING, CHAIRMAN, TENNESSEE ELK RIVER DEVELOPMENT AGENCY

SUPPORT OF TIMS FORD PROJECT

Mr. KING. Gentlemen, we feel at a loss after following Ray Jenkins to this podium. But we feel we have a case here which is worthy of consideration, and we would like to state at the outset that we do not come here today opposing any project. We have always, in the Elk River Valley, supported the TVA in its entire program, and its appropriation down through the years. So we are not here in opposition to the Tellico project. We are here in behalf of the Tims Ford project, a project which we believe has some merit.

We would like to briefly review the development in the Elk River.

It is a valley—the river is located in 10 counties, 8 of which are located in Tennessee, and 2 in the State of Alabama.

In this area there are about 175,000 people. Our area has in the last few years had a major shift from the farms to the cities, and there has been an overall outmigration of people from the area.

We find that we have not provided the industrial development that is necessary, or the job opportunities, to retain the youth of our counties. We have been investing literally millions of dollars by our counties, by our State, just to see those investments return benefits to the heavier populated areas of the east and north. This became of some real concern to civic and governmental leaders back in the middle fifties when they first recognized the outmigration. They figured it was in the adult population, and actually found it to be in the youth. And so there was a banding together of local citizens to try to determine what could be done about the problem. They found that the problem was one of much magnitude and was not going to be easily solved.

ELK RIVER DEVELOPMENT ASSOCIATION

This led to the formation in early 1959 of the Elk River Development Association, dedicated to the proposition—this association was dedicated to the proposition of trying to do something about correcting this problem.

From there they started planning just how to attack the problem of outmigration, providing more employment in the area. And they soon discovered that they needed technical assistance in trying to find the problems and setting up various work groups. Of course, they turned to TVA to ask for technical assistance. Of course, this is the agency

which has been the greatest developer of all throughout this Nation of ours.

TVA, through its Office of Tributary Development, furnished the association with technical assistance, and they set about to inventory the assets of the area. As a result of this, they had an inventory report which established certain goals about developing agriculture, industry, recreation—all the facets of total resource development.

As they started developing programs, we found very quickly that these programs transcended the political boundaries of counties, cities, and in the case of the Elk River Valley, it transcended the boundaries of States.

A board was created here. There was no ready answer as to how to attack the problem. And out of this came the Elk River Development Agency, an agency created in 1963 by the general assembly of the State, which was charged with the responsibility of developing plans for comprehensive development.

LOCAL SUPPORT

This was an agency which had representation from the cities, from the counties of our area, and from the State itself. The counties and cities of our area contributed financially, made appropriations each year to support this project. The State administration provided a \$5,000 initial appropriation, provided the counties and cities of the area matched that appropriation. The counties and cities of the area more than doubled the appropriation in the first fiscal year.

I think this is indicative of the kind of support that exists in the Elk River toward overall economic development.

About this time TVA completed its feasibility report on the Tims Ford project, the first proposed project on the development of the water resources in that area. Of course, the water resources were needed for several reasons. For industrial development, for water control, for water for our cities and our counties.

When they found it feasible to develop this project, we did not want to make the mistake in the Elk River Valley that has been made in other areas of our country of losing the potential benefits of a reservoir. And we entered into a three-way agreement. I think this is unique. I do not know of any other instance of this happening in our area, and perhaps not even in the United States. We entered into an agreement where the agency, the association, and TVA will provide—will work together toward an overall development of the reservoir, the land surrounding the reservoir, where we can get the most from economic development of this area.

We have entered into contracts with TVA, or memorandums of understanding; we passed resolutions stating that we will provide local financial participation in this project, and that the local financial participation which can be recaptured will be returned to the Treasury of the United States.

We think this is a unique project, and we think, based on this, we will recapture all the benefits.

The agency, in our proposed agreement with TVA, will control and assist in the development of the shorelines. It will not be a Federal agency selling land. It will be an agency which is dedicated to the

proposition that this land will be put to its best possible use, and anything that can be recovered will be returned to the Treasury of the United States.

Based on this, gentlemen, we believe that this project in every respect—and here is the principle set out in some of the greatest programs this Congress has ever passed—the poverty program, the Appalachia program—that the people of the United States will help those people who are willing to help themselves. And over a long period of time we have worked together to do just this.

I have with me today a very distinguished group of people representing the cities of these eight counties in Tennessee and the two counties in Alabama, and other counties in Alabama, because this program, as I pointed out, does transcend the boundaries of both States.

We have resolutions here from the various county courts, the civic groups, the cities, that we wish to file with your committee. And also I wish to file a statement, formal statement, outlining what I have tried to summarize here at this point.

(The documents referred to follow:)

PUBLIC CHARTER No. 336

SENATE BILL No. 739, BY BOMAR, MADDUX (PUTNAM), CROUCH, LANCE

AN ACT To create and establish the Tennessee Elk River Area Development Agency to be located in Coffee, Franklin, Giles, Grundy, Lawrence, Lincoln, Marshall, and Moore Counties, Tennessee; being a public body corporate and politic; to authorize and provide for the development and control of the water resources of the Elk River watershed and the overall economic development of the area in said Counties; to authorize a Board of Directors for said Agency, to provide for the appointment of its members, term of office, and define their duties and functions; to authorize the Agency to acquire real property by gift, purchase, and condemnation; to authorize the Agency to issue bonds; to authorize such Counties, Cities, and Towns to levy and collect ad valorem taxes for the purpose of this Act; to authorize the administration of the provisions of this Act

SECTION 1. *Be it enacted by the General Assembly of the State of Tennessee,* That there is hereby created and established the Tennessee Elk River Development Agency, being a public body corporate and politic, and for the purpose of this Act it will hereinafter be referred to as the "Agency".

The Agency being created for the purpose of developing and effectuating plans and programs for comprehensive development including the control and development of the water resources of those portions of the Elk River watershed lying in Coffee, Franklin, Giles, Grundy, Lawrence, Lincoln, Marshall and Moore Counties, Tennessee, and integrating plans, programs, and development activities with the overall economic development of the area described.

SECTION 2. *Be it further enacted,* The organization of the Agency shall be as follows:

(1) The Agency shall be governed by a Board of Directors consisting of 15 members.

(2) The Quarterly County Court of each of the above named Counties shall nominate by majority vote three candidates for each Directorship from the County. Candidates shall include persons active in municipal, industrial, agricultural, commercial and citizen organizations, such as the Elk River Development Association, active in promoting comprehensive unified development of the resources and economic growth of the Elk River watershed. The presiding officer of the governing body of each County shall certify such nominations to the Governor, who shall appoint from the nominees from each County one from each group of three nominated for each Directorship. From the above, the Governor shall appoint 3 for terms of 2 years, 3 for terms of 4 years, and 2 for terms of 6 years. However, such terms shall continue in all event until successors are appointed. Successors shall be appointed for terms of 6 years. In the event of a vacancy on the Board, the Governor shall appoint a successor for the unexpired term.

(3) The Governor shall designate a member of his staff or cabinet to serve as a Director during the Governor's term of office.

(4) The County Judges of Giles, Lincoln, Moore and Franklin Counties shall be ex-officio members.

(5) The Governor shall designate mayors of two incorporated Cities or Towns of the area to serve as Directors for two-year terms.

(6) Upon completion of its membership, the appointees shall meet and organize at Fayetteville, Tennessee, elect a Chairman, Vice-Chairman, and Secretary-Treasurer, and set a regular time and place for meetings of the Board.

(7) Directors serve without compensation, except reimbursement for actual traveling expenses and other necessary expenses incurred in the performance of their official duties, such expenses to be reimbursed from such funds as may be available to the Agency.

SECTION 3. *Be it further enacted*, The powers, duties and functions of the Agency shall be as follows:

(1) General:

(a) Perpetual succession in corporate name.

(b) Sue and be sued in corporate name.

(c) Adopt, use and alter a corporate seal, which shall be judicially noticed.

(d) Enter into such contracts and cooperative agreements with the Federal, State and local governments, with agencies of such governments, with private individuals, corporations, associations, and other organizations as the Board may deem necessary or convenient to enable it to carry out the purposes of this Act. This Authority shall include without limitation to contracts and cooperative arrangements with the State of Alabama, Limestone and Lauderdale Counties, Alabama, or any municipalities in these Counties and any agency of the State of Alabama.

(e) Adopt, amend and repeal by-laws.

(f) Appoint such managers, officers, employees, attorneys, and agents as the Board deems necessary for the transaction of its business, fix their compensation, define their duties, require bonds of such of them as the Board may determine. Salary of any such employees may be paid out of such funds as may be available to the Agency from any source.

(2) Formulation and Execution of Development Plans: The Agency is authorized to:

(a) Investigate the resources of the Elk River area and determine the requirements for their full development and for control and development of the Elk River stream system as an integral part of the economy of the area.

(b) Develop and carry out a unified comprehensive program of resource development for economic growth of the area. These plans shall be consistent with plans for state-wide economic development.

(c) In making such investigations and in formulating development plans, seek and utilize the assistance of appropriate Federal, state and local agencies and of private citizens and citizen organizations interested in the conservation and development of the resources of the area.

(d) Provide, develop and help as appropriate the needed and feasible cooperative arrangements for the construction of water control structures, channel improvements, and facilities for navigation, drainage, irrigation, water conservation and supply, industrial development, and recreation, as a part of comprehensive plans and, in aid of such activities, to accept loans, grants, or other assistance from Federal, State and local governments or from agencies of such governments.

(e) Arrange with any city, county, municipality, or supplier of utilities, for the abandonment, relocation, or other adjustment of roads, highways, bridges, and utility lines.

(3) Land Acquisition:

(a) Acquire by purchase, lease, gift, or in any manner other than by condemnation, property of any kind, real, personal, or mixed, or any interest therein, that the Board deems necessary or convenient to the exercise of its powers or functions, provided, that acquisition by condemnation shall be limited to land, rights in land, including leaseholds and easements, and water rights in the Elk River watershed that the Board determines to be necessary to the control and optimum development of the Elk River and its tributaries. The amount and character of interest in land, rights in land, water rights to be acquired within either of these boundaries shall be determined by the Board of Directors and its determination shall be conclusive. The Agency's power of eminent domain may be exercised under Section 23-1401 through

23-425 of the official Tennessee Code Annotated and any amendments thereto, or pursuant to any other applicable statutory provisions, now in force or hereafter enacted for the exercise of the power of eminent domain; provided, that where condemnation proceeding become necessary the court in which any such proceedings are filed shall, upon application of the Agency, and upon posting of a bond with the clerk of the court in such amount as the court may deem commensurate with the value of the property, order that writ of possession shall issue immediately or as soon, and upon such terms as the court in its discretion may deem proper and just. The Agency is expressly authorized to acquire by condemnation or otherwise and hold for resale to private or other industrial organizations waterfront land that it determines to be suitable for industrial or other appropriately planned uses, and such acquisition is hereby declared to be for the public purpose of the State's industrial development and for the increase of industrial employment opportunities.

(4) Management and Operation:

(a) Enter into contracts with municipalities, corporations, other public agencies, or political subdivisions of any kind, or with others for the sale of water for municipal, domestic, agricultural, or industrial use of or any other services, facilities, or commodities that the Agency may be in a position to supply.

(b) Develop reservoirs and shoreline lands for recreational use and provide for their operation for this purpose directly or by concessionaires, lessees, or vendees or shoreline lands.

(c) Sell or lease shoreline lands acquired in connection with development of the Elk River system for uses consistent with the Agency's development plan and subject to such restrictions as the Agency deems necessary for reservoir protection and to such requirements as to (1) character of improvements and activities and (2) time within which such improvements or activities shall be undertaken as the Agency deems appropriate to its overall development plan.

(d) Acquire or operate shoreline lands of reservoirs owned by the United States of America as the agent of the Federal agency having custody and control thereof under appropriate agreements with such agencies.

(e) Acquire, construct, or operate other facilities or works of improvement as are necessary to effectuate plans for comprehensive development of the area.

SECTION 4. *Be it further enacted*, The Agency shall be authorized and have the authority with respect to finances as follows:

(5) Financing:

(a) Issue its bonds from time to time in an amount not to exceed a total of \$2,000,000 for the purpose of paying in whole or in part the cost of the acquisition of necessary land or interests therein and the development of the resources of the Elk River watershed, and expenses incidental thereto;

(b) Secure such bonds by a pledge of all or any of the revenues which may now or hereafter come to the Agency from any source, by a mortgage or deed of trust of the Agency's land or any part thereof, or by a combination of the two; and

(c) May make such contracts in the issuance of such bonds as may be necessary to assure the marketability thereof.

SECTION 5. *Be it further enacted*, The various Counties, Towns and Incorporated Municipalities represented on the Board of Directors are hereby authorized and empowered:

(1) To contribute to the work of the Agency any amount or amounts of money that their respective governing bodies, acting in the sole discretion, shall approve to be paid from the general fund of the respective county or city. Quarterly County Courts and governing bodies of such cities or towns shall be empowered to levy and collect ad valorem taxes for such purposes, which are hereby declared to be for municipal and county public purposes.

(2) To issue their bonds as provided for counties in Sections 5-1101 through 5-1125 Tennessee Code Annotated, and for municipalities in Sections 6-1601 through 6-1632 Tennessee Code Annotated to obtain funds for the financing of public works by the Agency, or to secure advances made by Federal agencies for the construction of public works in the Elk River pursuant to cooperative agreements with the Agency.

SECTION 6. *Be it further enacted*, The Board of Directors of the Agency shall report annually to the Governor of the State of Tennessee and shall likewise report annually to the governing bodies of the various Counties, Towns and Incorporated Municipalities of the area. Such reports shall include statement of financial receipts and expenditures, and a summary of all activities and accomplishments for the period and proposed plans for the next year.

SECTION 7. *Be it further enacted*, That all agencies of the State of Tennessee are hereby authorized and directed to extend their cooperation and lend assistance to the Agency in the formulation and implementation of a development program.

SECTION 8. *Be it further enacted*, That for purpose of coordinating its activities with the needs and undertakings of other local organizations and groups, the Board of Directors may establish an advisory board consisting of the Chairman of the Agency board (who shall be chairman of the Advisory board), and of sufficient members to represent adequately so far as possible industry, commerce, agriculture, the general public, any official planning and developmental bodies in the locality, and organized citizens groups working for the development of the Elk River system.

SECTION 9. *Be it further enacted*, That if any clause, sentence, paragraph, section or any part of this Act shall be held or declared to be unconstitutional and void, it shall not affect the remaining part or parts of this Act, it being hereby declared to be the legislative intent to have passed the remainder of this Act notwithstanding the part held to be invalid if any.

SECTION 10. *Be it further enacted*, That this Act take effect from and after its passage, the public welfare requiring it.

Passed : March 22, 1963.

(Signed) JAMES L. BOMAR,

Speaker of the Senate.

(Signed) WILLIAM N. BARRY,

Speaker of the House of Representatives.

Approved : 3-25-63.

(Signed) FRANK G. CLEMENT,

Governor.

Item 40. There is hereby appropriated to the Elk River Development Commission, created by Chapter—Public Acts of 1963, the sum of Ten Thousand Dollars (\$10,000) for the purpose of aiding the Commission in promoting the development of dams and other improvements on the Elk River; provided, however, that said funds or portions thereof shall be paid only upon certification by the appropriate official of the Commission that matching local funds are available. This appropriation is subject to the approval of the Commissioner of Finance and Administration and the Governor.

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ELK RIVER DEVELOPMENT ASSOCIATION, FAYETTEVILLE, TENN., COMMITTING THE ASSOCIATION TO THE SUPPORT AND FURTHERANCE OF THE TIMS FORD PROJECT IN COOPERATION WITH THE TENNESSEE VALLEY AUTHORITY, THE TENNESSEE ELK RIVER DEVELOPMENT AGENCY, AND OTHERS

Whereas the Tennessee Valley Authority has conducted a feasibility study on the Tims Ford project as a part of a coordinated development water control system for Elk River and its tributaries; and

Whereas from said feasibility study it appears that said project will be feasible and that the advantages and benefits to be derived therefrom will outweigh the costs thereof; and

Whereas it appears to be to the benefit and welfare of the people of this watershed to proceed with the Tims Ford project; and

Whereas it is the purpose of the Elk River Development Association by and through its board of directors to support this project in all things: Be it therefore

Resolved, That the Elk River Development Association be and it hereby is committed to the support of and cooperation with TVA, the Tennessee Elk River Development Agency, other governmental bodies and interested groups, in the completion of the Tims Ford project; and be it further

Resolved, That the board of directors of the Elk River Development Association does hereby request that the Tennessee Valley Authority proceed with the plans and further steps to carry the Tims Ford project into final effect, the Elk River Development Association pledging its full support, cooperation, and assistance in all things in said project, the benefit and welfare of the people of the watershed requiring it; and be it further

Resolved, That a copy of this resolution be mailed to the proper authority of the Tennessee Valley Authority, Senators, Congressmen, Governor of Tennessee, State legislators, and other applicable governing bodies.

This the 20th day of August 1964.

ROY PHIPPS, *President*.

Attest:

JOHN S. FARDRICH, *Secretary*.

RESOLUTION OF ELK RIVER DEVELOPMENT ASSOCIATION CONCERNING LOCAL PARTICIPATION IN THE TIMS FORD PROJECT

Whereas the Elk River Development Association was incorporated in October 1959 as a pioneer organization to undertake a comprehensive program of unified resource development in cooperation with local and State agencies and TVA; and

Whereas the watershed residents and their elected and appointed governmental officers have given overwhelming and continued support to this program; and

Whereas the association through its more than 2,400 members and 8 work groups is embarked on an active and effective program in agriculture, forestry, recreation, human resources, minerals, water, business, and industry, and improved governmental services, and an effective effort is being made to inform and educate the watershed citizenry to the economic and social importance of comprehensive development; and

Whereas the Elk River Development Agency was created by the 1963 Tennessee General Assembly to provide a legal entity of broad powers and public authority to sustain and extend the program of comprehensive resource development in the portion of the Elk River watershed in Tennessee, and especially to provide effective local participation in the development of water resources and related levels; and

Whereas the Tennessee Valley Authority has undertaken a comprehensive study of the water resources of the Elk River and has determined (1) that a dam and reservoir constructed at the Tims Ford site constitute the logical first unit of water resources development; (2) that such a reservoir would provide urban and agricultural flood protection as well as important addition to the TVA regional flood control system and provide dependable sources for municipal, industrial, and agricultural water supply; significantly increase the recreational potential of the area through providing the opportunity for all phases of water-based recreation; improve the wildlife and fish habitats; provide for the generation of electric power; and (3) that such a project is both technically feasible and economically justified; Therefore, be it

Resolved, That the Elk River Development Association is ready and anxious to further the development of all resources of the watershed; and agrees that water resources development is essential to comprehensive development and economic growth of the surrounding area; and agrees that the TVA plan for the development of the Tims Ford site gives full consideration to the present and future needs of the watershed; and be it further

Resolved, That the Elk River Development Association agrees to the principle of local participation in the construction, management, and use of the Tims Ford project; will continue to promote an active and effective comprehensive resource development program throughout the watershed; and will take all possible steps to assure the full use of the new facilities and opportunities provided by the Tims Ford project; and be it further

Resolved, That the Elk River Development Association urges TVA to complete as quickly as possible the final plans for this development, following the negotiation of agreements with Tennessee Elk River Development Agency covering local participation; and to seek early approval from the President and the Congress for construction of the Tims Ford project; and be it further

Resolved, That the Elk River Development Association will advise and support the Tennessee Elk River Development Agency in its negotiations with TVA for agreements on local participation that effectively represent the interests of the citizens of this area in the Tims Ford project; and will take the

lead in promoting within the Elk River watershed area full public understanding and support of the agreement that is reached, including the urging of necessary compliances by individuals, private associations, and governmental organizations.

Attest:

President.

Vice President.

Secretary.

RESOLUTION No. 3 OF THE BOARD OF DIRECTORS OF THE TENNESSEE ELK RIVER DEVELOPMENT AGENCY COMMITTING THE AGENCY TO THE SUPPORT AND FURTHERANCE OF THE TIMS FORD PROJECT PROPOSED BY TENNESSEE VALLEY AUTHORITY

Whereas the Tennessee Valley Authority has conducted a feasibility study on the Tims Ford project as a part of a coordinated development water control system for Elk River and its tributaries;

Whereas from said feasibility study it appears that said project will be feasible and that the advantages and benefits to be derived therefrom will outweigh the costs thereof;

Whereas it appears to be to the benefit and welfare of the people of this watershed to proceed with the Tims Ford project; and

Whereas it is the purpose of the Tennessee Elk River Development Agency by and through its board of directors to support this project in all things; be it therefore

Resolved, That the Tennessee Elk River Development Agency be and it hereby is committed to the support of and cooperation in the building of the Tims Ford project; and be it further

Resolved, That the board of directors of the Tennessee Elk River Development Agency does hereby request that the Tennessee Valley Authority proceed with the plans and further steps to carry the Tims Ford project into final effect, the Tennessee Elk River Development Agency pledging its full support, cooperation, and assistance in all things in said project, the benefit and welfare of the people of the watershed requiring it; and be it further

Resolved, That a copy of this resolution be mailed to the proper authority of the Tennessee Valley Authority, Senators, Congressmen, Governor of Tennessee and other applicable governing bodies.

This the 9th day of July 1964.

DONALD R. KING, *Chairman*.

Attest:

DAVID C. SLOAN, *Secretary*.

RESOLUTION No. 4

Whereas the proposed Tims Ford project on the Elk River in the Elk River development program has been proven to be technically possible and economically feasible; and

Whereas findings have been made which support that the installation of this project and reservoir will have a substantial beneficial impact upon the economy of the area of the Elk River Valley and will provide a permanent improvement to the quality of life therein; and

Whereas a broad base of public understanding and support for the project must be assured along with a willingness to organize and work on a continuing basis toward full utilization of the assets that the project would provide; and

Whereas a substantial repayment to TVA from the local recapturable benefits of the sources to defray a portion of the construction costs is necessary; and

Whereas it is the intention and purpose of the Tennessee Elk River Development Agency to do those things necessary on its part to have said project put into full effect and fruition: Now, therefore, be it

Resolved by the Tennessee Elk River Development Agency:

1. That it continue to expand the present program of comprehensive resource development in cooperation with the Elk River Development Association, TVA, and State agencies;

2. That it undertake the management of shorelands in accordance with general and specific plans being developed by TVA and the agency and designed to provide optimum development;

3. That it undertake the development, promotion, and management of recreational facilities;

4. That it establish and maintain adequate financial records;

5. That it undertake such maintenance responsibilities as are considered feasible and which are mutually agreed upon;

6. That it provide liaison with county and municipal governments and State agencies to secure their continued participation in the utilization of the project;

7. That it make substantial cash repayments to TVA from recapturable project benefits, which along with other State and local contributions will amount to approximately \$3 million plus interest;

8. That the agency express its intention and proposes to invest in agreed upon projects some \$2,400,000 for area economic development projects; and

9. That the agency express its willingness and preparedness to enter into a formal agreement with TVA when such shall become appropriate.

Passed on this 8th day of April 1965.

TENNESSEE ELK RIVER DEVELOPMENT AGENCY,
DONALD KING, *Chairman*.

Attest:

DAVID SLOAN, *Secretary-Treasurer*.

MINUTES OF THE TENNESSEE ELK RIVER DEVELOPMENT AGENCY, FAYETTEVILLE,
TENN., APRIL 8, 1965

The board of directors met in regular session at Fayetteville, Tenn., Thursday, April 8, 1965, 7 p.m., in the agency office.

The meeting was called to order by Donald R. King, chairman.

The roll was called by David Sloan, secretary-treasurer. A quorum was declared by the chairman.

Directors present were: Don King, David Sloan, Aaron Jennings, Ottis Knippers, C. O. Prince, Billy Mason, S. A. Garner, Mark Whitaker, and O. H. Templeton.

Directors absent were: Alf Clagett, Park Hayes, Clinton Swafford, Ben Wilkins, Jr., Bill Gunn, and W. B. Holt.

Others present were: Claybourne Ross, executive director, Upper Duck Association; John Mitchell, TVA; Don Wyatt, agency attorney; W. A. Smith, ERDA president; Robert Moore, OEO, Washington; Ralph Mitchell, executive secretary, agency; and Betty Warden, secretary.

Minutes of the January 14, 1965, meeting were read and approved as read.

A financial report for the period January 1 through April 5, 1965 was distributed and received by the directors.

Mr. Robert Moore, OEO coordinator for the area, reported on the status of the agency's application for development funds and made suggestions for revision to comply with OEO policies.

After discussion on the suggestions by Chairman King and other directors, motion was made by Mark Whitaker, and seconded by Ottis Knippers that the following resolution be adopted: (See attached Res. No. 5.)

The motion was carried to adopt the resolution.

As specified in the resolution, the directors to serve on the area advisory committee for OEO are: Ben Wilkins, Coffee County; Billy Mason, Franklin County; W. B. Holt, Giles County; Bill Gunn, Grundy County; Ottis Knippers, Lawrence County; Aaron Jennings, Lincoln County; Mark Whitaker, Marshall County, and O. H. Templeton, Moore County.

Don King, agency chairman, W. A. Smith, association president, and A. W. Holden, chairman, human resource work group will serve as ex officio members of this committee. In case that a county does not have an agency director, then an association director will be appointed by the association.

Chairman King and W. A. Smith gave a report on their trip to Washington. All congressional people or their administrative assistants were contacted. They also checked on the OEO application.

Chairman King gave a report of the Ways and Means Committee meeting which was held April 6. He discussed with the directors the local participation required in this project. Following the discussion a motion was made by S. A. Garner, seconded by Ottis Knippers that the following resolution be adopted

setting forth the agency's responsibility on the Tims Ford project. (See attached Res. 4.)

The quarterly report was distributed.

Motion was made by Ottis Knippers, seconded by Billy Mason that the meeting adjourn. Motion carried.

DAVID C. SLOAN, *Secretary-Treasurer*.

RESOLUTION 5

Whereas in order for the Tennessee Elk River Development Agency to participate in the community action program of the Office of Economic Opportunity, it is necessary that a policy advisory committee be established by the agency and vested with certain powers; and

Whereas it is the purpose of the Tennessee Elk River Development Agency hereby to establish such a committee: Now, therefore, be it

Resolved by the Tennessee Elk River Development Agency:

1. That a policy advisory committee be appointed as set forth hereinafter;
2. That said committee shall be vested with the functions of reviewing and establishing of program policies, personnel policies, and recruitment, and to act as a hearing board for any citizen groups who may want to propose additions to or changes in the community action programs: *Provided, however,* That no program shall be submitted for Federal approval without prior approval of said committee and provided no personnel shall be employed without prior recommendations of said committee;
3. That the policy advisory committee shall be composed of one director of the Tennessee Elk River Development Agency from each county, which director shall be the director appointed by the Governor from the nominees submitted to him by the respective county courts; however, in the event that a county does not have an agency director, then an association director will be appointed by the association; one member from each county who shall be the chairman of the human resources work group of the Elk River Development Association; one member from each county who shall be a representative of the chief minority group; one member from each county who shall be a representative of the poor; however, in the event that a minority group shall compose less than 1 percent of any county's population, an additional member shall be selected as representative of the poor; one representative shall be the chairman of the county citizens participating council from each county; the chairman of the Tennessee Elk River Development Agency, the president of the Elk River Development Association, and the chairman of the overall watershed human resources work groups of the Elk River Development Association shall serve as ex officio members of the committee, to serve for the period of 2 years, and all members will be elected by the agency's board of directors, unless otherwise specified;
4. That upon unanimous consent of the executive committee of the agency, applications shall be forwarded to the Office of Economic Opportunity;
5. That the chairman of the Tennessee Elk River Development Agency shall have the right to withdraw applications pertaining to the State of Alabama, if at any time he deems it in the best interest of the agency; and
6. That the executive committee of the agency shall be vested with the power to amend the program development application to meet the standards of the Office of Economic Opportunity.

Passed on the 8th day of April 1965.

THE TENNESSEE ELK RIVER DEVELOPMENT AGENCY,
By DONALD R. KING, *Chairman*.

Attest:

DAVID C. SLOAN, *Secretary-Treasurer*.

STATEMENT BY DONALD R. KING, CHAIRMAN, TENNESSEE ELK RIVER DEVELOPMENT AGENCY

Mr. Chairman and members of this distinguished committee, all of us in the Elk River Valley are grateful for the opportunity to appear here to testify in behalf of the appropriation for TVA's Tims Ford project.

The Elk River Valley encompasses eight southern middle Tennessee counties and two northern Alabama counties. Within this 10-county area reside some

175,000 citizens. Historically, the economy of the valley has centered around agriculture. However, because of mechanization of farms and declining prices of farm products, there has been a shift of population from the farms to the cities of our area. During the last few years, even with emphasis on industrial development, there has been an overall decline in the population of the valley.

In the middle fifties local leaders, both civic and governmental, became alarmed about the outmigration in the valley. Investigations launched by these groups disclosed that the outmigration was not centered in our adult population, as first thought, but was instead centered around our young people. The youth of our valley were leaving by the thousands because we had not had the foresight to provide them with opportunities for employment. The plain fact was that the valley was suffering from what may be termed "citizen dropout."

Our counties and cities were investing literally millions of dollars in educating our youth just to see that investment return benefits to the more heavily industrialized areas of the North and East. I believe all of you would agree that no region can prosper if it continues to lose its greatest wealth, its people.

Recognizing the challenge, leaders in the Elk River Valley banded together in 1959 to form an organization dedicated to the proposition that this generation owes to our citizens of tomorrow the responsibility of developing the total resource of the valley. This organization came to be known as the Tennessee Elk River Development Association. During the early days much time was spent in identifying problems and setting up work groups.

It became apparent after a time that the association needed technical assistance in developing the resources of the valley. In their search for assistance, the association turned to TVA for one simple reason, because here was an agency whose record of success in development was unparalleled throughout the length and breadth of this great Nation of ours. TVA responded to the association's call for help by furnishing technical personnel, through its Office of Tributary Development, to assist the various work groups in inventorying resources in the valley.

With the resource inventory in hand a program of development was begun in the following areas: agriculture, business and industry, forestry, minerals, recreation, water control and use, public finance, and human resources. The accomplishments by each of these work groups have been outstanding. Mr. Bill Smith, president of the Elk River Development Association, who will also address this committee, will cite some of the accomplishments of the association.

Even with all this effort on the part of citizen groups in the valley, it was painfully clear that a void still existed in this total resource development concept. Programs were being developed which transcended the political boundaries of cities, counties, and even States. The procedures for implementing programs of this type simply were not available to the association. From this void was born the Tennessee Elk River Development Agency, an organization charged by the General Assembly of the State of Tennessee with the responsibility of developing plans and programs for comprehensive development including the control and development of water resources. In addition the agency is empowered to execute contracts with cities, counties, State and Federal Governments. In July of 1963, Gov. Frank Clement appointed the 15-member board of directors, provided by the act creating the agency. On that board is represented the counties and cities of the valley and the State of Tennessee. For the first time in Tennessee here was a body which welded the political subdivisions into an effective tool for developing and implementing programs on a regional basis.

To finance the activities of the agency, the general assembly, at the request of Governor Clement, appropriated \$5,000 per annum, provided the cities and counties matched the amount appropriated. During the first year of operation the counties and cities more than doubled the State appropriation. This action on the part of the cities and counties of the valley demonstrates clearly the support of the people in the area. To further the development of the valley, which is located in two States, the General Assembly of the State of Alabama is now proceeding to create a sister agency of the Tennessee agency in order to implement programs which affect both States.

Mr. Chairman, I have recited briefly the history of our work for the sole purpose of showing to this committee that our appearance here today in behalf of the Tims Ford project is an integral part of the total development of the resources of the Elk River Valley.

The Tennessee Valley Authority, after making detailed investigations on the feasibility of a system of dams and channel improvements on the Elk River, has

determined that a dam and reservoir constructed at the Tims Ford site in Franklin County would constitute the logical first step in the development of the water resources in the Elk. This impoundment would provide flood-control protection which is vitally needed downstream. For example, Fayetteville, Tenn., just a few miles downstream, has experienced floods 47 times in the last 40 years.

The impoundment would provide an adequate controlled water supply for municipal, industrial, and agricultural needs. The shoreline created by the reservoir, more than 250 miles in length, would provide industrial sites, recreational areas, residential developments, and wildlife reserves. The reservoir would cover about 10,000 acres, about three-fourths of which is marginal land and not very productive for agricultural use.

When TVA found the project to be both technically and economically feasible, the agency, association, and TVA entered into a three-way partnership, by means of resolutions and memorandums of understanding to provide local financial support and to insure the establishment of plans to capture all the economic benefits of this project for the citizens of the valley. TVA has documented our actions with their report to your committee.

The Congress of the United States has in recent years developed great programs of progress for assisting the people of this country who are willing to help themselves. We firmly believe that the project in every respect adheres to those principles.

Therefore, we earnestly solicit your support for the appropriation passed by the House of Representatives for the Tims Ford project.

In conclusion, Mr. Chairman, on behalf of this distinguished delegation representing the cities, counties, and civic groups in Tennessee and Alabama, I wish to file with your committee their resolutions of support for this project.

RESOLUTION OF MARSHALL COUNTY, LEWISBURG, TENN.

Resolved, That the Marshall County Quarterly Court, realizing the urgency of the Tims Ford project to the well-being of our area, hereby urges the adoption of the House of Representatives action concerning this project; and be it further

Resolved, That the wishes of this court be conveyed in person by a Marshall County delegation and that a sum \$200 be authorized to be used for transportation. This money to come from unappropriated income.

Passed this 12th day of July 1965, and recorded in the minutes of the Quarterly County Court.

JAMES R. PATTERSON, *County Judge*.

STATE OF TENNESSEE,
County of Marshall:

I, H. Eucl Gillum, clerk of the county court, do hereby certify the foregoing to be a true and correct copy of the resolution as passed by the Marshall County, Tenn. Quarterly County Court, July 12, 1965 regarding the Tims Ford project.

This July 12, 1965.

H. EUCL GILLUM, *County Court Clerk*.

CITY OF WINCHESTER, TENN., *July 7, 1965.*

SENATE APPROPRIATIONS COMMITTEE ON PUBLIC WORKS,
Washington, D.C.

GENTLEMEN: The Winchester Regional Planning Commission hereby wholeheartedly endorses the construction of Tim's Ford Dam on Elk River in Franklin County.

We wish to state to you that the city of Winchester has supported the Elk River Development Association for the past 3 or 4 years.

Again, we urgently request that funds be made available to begin construction of Tim's Ford Dam.

Yours very truly,

DON HALL,
Chairman, Winchester Regional Planning Commission.

JULY 2, 1965.

SENATE APPROPRIATIONS COMMITTEE ON PUBLIC WORKS,
Washington, D.C.

DEAR SIRs: Please be advised that Boy Scout Troop No. 141 of the town of Decherd, Franklin County, Tenn., has gone on record as being very much in favor of the Tim's Ford Dam project. We strongly urge that funds be made available for this project.

Sincerely,

CARL E. STEVENS,
Scoutmaster, Decherd Troop No. 141.

JULY 2, 1965.

SENATE APPROPRIATIONS COMMITTEE ON PUBLIC WORKS,
Washington, D.C.

DEAR SIRs: This is to state that the Parent-Teachers' Association of Decherd, Tenn., in Franklin County, is very strongly in favor of the Tim's Ford Dam project. We urge that funds be appropriated for this project.

Sincerely,

Mrs. WM. T. BROWN,
President, Decherd PTA.

CITY OF DECHARD, TENN., *July 2, 1965.*

SENATE APPROPRIATIONS COMMITTEE ON PUBLIC WORKS,
Washington, D.C.

GENTLEMEN: This letter is to inform you that the board of mayor and aldermen of the city of Dechard by the act of a resolution has highly endorsed the Tim's Ford Dam project.

This project is highly endorsed not only by the board of mayor and aldermen but by a large majority of the citizens of Decherd and of Franklin County.

If the board of mayor and aldermen can be of assistance in any way in accelerating this project, please don't hesitate to call.

Sincerely,

WILLIAM T. BROWN, *Mayor.*

COWAN, TENN., *July 2, 1965.*

SENATE APPROPRIATIONS SUBCOMMITTEE ON PUBLIC WORKS,
Washington, D.C.

GENTLEMEN: The Cowan Commercial Club—Cowan's oldest civic organization and with active membership of merchants, professional men, and farmers—is 100 percent for the Tim's Ford Dam project.

Our interest in natural water resources is not new found and has been evidenced by individual and collective support of the Elk River Development Association since its very beginning in 1959.

It is our firm conviction that the Tim's Ford Dam would be a boon to the economy and future prosperity of a sizable portion of middle Tennessee and northern Alabama and we urge your support of action necessary to assure early approval of the project.

Yours very truly,

COWAN COMMERCIAL CLUB,
By KENNETH HATCHETT, *President.*

CITY OF COWAN, TENN., *July 2, 1965.*

SENATE APPROPRIATIONS SUBCOMMITTEE ON PUBLIC WORKS,
Washington, D.C.

GENTLEMEN: By action taken by the board of mayor and aldermen, of the city of Cowan, does endorse the proposed Tim's Ford Dam project wholeheartedly.

The city of Cowan requests that this project be approved and work started as soon as possible.

Yours very truly,

J. R. BROCK, *Mayor.*

JULY 2, 1965.

SENATE APPROPRIATIONS COMMITTEE ON PUBLIC WORKS,
Washington, D.C.

DEAR SIRs: Please be advised that the Lions Club of Decherd, Franklin County, Tenn., in the heart of the Elk River Valley in regular meeting, passed a resolution as approving and endorsing the Tims Ford Dam project.

Sincerely,

ROY RIEBEN,
President, Decherd Lions Club.

FRANKLIN COUNTY CHAMBER OF COMMERCE,
Winchester, Tenn., July 7, 1965.

Re Tims Ford project, Elk River watershed.

Senator LISTER HILL,
Subcommittee on Appropriations,
U.S. Senate, Washington, D.C.

DEAR SENATOR: We have been active members of the Elk River Development Association since its inception, feeling that in the total development of all of the resources of our area lies the hope for the future. We have supported with membership dues, work-group activities, and also sponsored delegations to the annual meetings of ERDA.

Our formal endorsement was published in the local papers the week of September 16 in the form of congratulations to TVA and ERDA with commendations to others who had given their support and approval just after the favorable feasibility report was published in Fayetteville, Tenn.

We are most gratified that Tims Ford project, upon its own merit, is now in the budget as it is being considered by the U.S. Senate. The House of Representatives action speaks clearly the merit of Tims Ford project.

We are familiar with testimony before the House committee and the action of this body with the reasons set forth in the Congressional Record.

Attached hereto and made a part hereof is the ad published locally and above referred to. We reaffirm our support of the Tennessee Valley Authority, the Elk River Development Agency and Association along with the State of Tennessee, county and municipal governments and civic organizations throughout the watershed. We endorse this project and the objectives of ERDA, pledging herewith our efforts to help develop and take advantage of all opportunities that become available.

We beseech you gentlemen to render favorable consideration leaving Tims Ford project appropriation in the budget that we may "do the best we can, with what we have, to make this valley a better place to live."

Respectfully,

JOE BREWER, President.

[From the Winchester Herald-Times, Sept. 16, 1964]

Congratulations

TO THE TENNESSEE VALLEY AUTHORITY AND THE ELK RIVER DEVELOPMENT ASSOCIATION

For developing and securing the favorable report on the Tims Ford Dam project, establishing it as feasible, and for continuing energy expended in the other phases of the program pointing toward maximum development of all resources in order to promote maximum economic growth and to make the valley a better place to live.

Noted benefit factors from the report of power generation, with a 40,000-kilowatt unit and flood control for agriculture lands immediately downstream, for the city of Fayetteville and for the main stem of the Tennessee establish this as a multipurpose reservoir assuring governmental concern in counties physically involved payment in lieu of taxes on property covered, thus no loss of revenue, according to the example of Humphreys County given to explain in lieu of tax-payment by TVA official on the Elk.

Complementing these benefits are water supply presently to augment local supply for water-oriented industrial development and for future needs; water quality for pollution control by low-flow augmentation; land enhancement, increasing property values, creating opportunities for securing water-oriented

industries—we note a net migration leaving Franklin County, alone of approximately 4,000 in the last decade—and hope through industrialization to offer our people and youth a choice to find employment in our area; recreational opportunities unlimited are indicated by the report with abundant access assured, we note the importance of recreation as an industry within itself; also the economic impact of retail outlets, increasing employment, for boats, motors, skis, fishing equipment, etc., a fact to truly complement this benefit; commercial fishing is also a benefit for our section.

We note and commend the Lincoln County banks and Franklin County banks that have endorsed this project showing the economic impact recognized and progressive attitude peculiar to community leadership essential for growth and progress.

We reaffirm our support of the Tennessee Valley Authority, the Tennessee Elk River Development Agency and the Elk River Development Association, Inc., along with the State of Tennessee, county and municipal governments, and civic organizations throughout the watershed.

We endorse this project and the objectives of the Elk River Development Association, Inc., pledging herewith our efforts to help develop and take advantage of all opportunities that become available.

We encourage endorsement by all groups and individuals who support total maximum development of all resources in the Elk River watershed making available "progress through cooperation."

THE FRANKLIN COUNTY CHAMBER OF COMMERCE.

FRANKLIN COUNTY,
Winchester Tenn., July 7, 1965.

Re Tims Ford project, Elk River watershed.

Senator LISTER HILL,
Subcommittee on Appropriations,
U.S. Senate, Washington, D.C.

DEAR SENATOR: The Franklin County Quarterly County Court has supported the Elk River Association with substantial appropriations for the past 4 years by unanimous vote approving the budget each year containing said appropriation undergirded by the recommendation each year of the finance committee.

Yours very truly,

C. O. PRINCE, *County Judge.*

BANK OF COWAN,
Cowan, Tenn., July 6, 1965.

SENATE SUBCOMMITTEE,
APPROPRIATIONS FOR PUBLIC WORKS,
Washington, D.C.

GENTLEMEN: Reports for and against the construction of Tims Ford Dam in Franklin County have been studied by us and it is our opinion that the construction will lead to an economic uplift in this area, not just to Franklin County but the entire area reaching several miles in all directions.

We are an inland area with no large body of water nor large streams. The impounding of water by the proposed dam will give us an abundance of water that will attract industry that we can have no other way. In addition to direct industry the recreational advantages offered will create another source of income locally and also where recreation goods are manufactured.

It is our desire and we urge each of you to do all possible to see that this dam is built as soon as possible. The construction funds spent in the area will be a great boost but the overall results and continuing benefits after construction will be permanent.

Sincerely,

B. B. LOONEY, *President.*

CITY OF WINCHESTER,
Winchester, Tenn., July 7, 1965.

SENATE APPROPRIATIONS COMMITTEE ON PUBLIC WORKS,
Washington, D.C.

GENTLEMEN: The city council and mayor of Winchester, Tenn., hereby wholeheartedly endorse the construction of Tims Ford Dam on Elk River in Franklin County.

We wish to state to you that the city of Winchester has supported the Elk River Development Association for the past 3 or 4 years.

Again, we urgently request that funds be made available to begin construction of Tims Ford Dam.

Yours very truly,

CLINTON H. SWAFFORD, *Mayor.*

TOWN OF HUNTLAND, TENN., July 7, 1965.

SENATE APPROPRIATIONS COMMITTEE,
Washington, D.C., and
Tennessee Valley Authority.

SIRS: We the undersigned, members of the board of aldermen and mayor of the Town of Huntland, do endorse the Tims Ford Dam project because of its industrial, economic, recreational, and power benefits.

RAY M. JOHNSON, *Mayor.*

GORDON PAYNE,

JAMES L. STRATTON,

J. L. DONALDSON,

ERNEST STOVALL,

JAMES A. LEE,

Aldermen.

JULY 6, 1965.

SENATE APPROPRIATIONS SUBCOMMITTEE ON PUBLIC WORKS.

GENTLEMEN: The Elk River Development Association has my full support in the Tims Ford project on the Elk River.

This project would be of untold value in developing our resources.

Sincerely yours,

JOHN H. NORTON,

General Manager, the Pulaski Rubber Co.

PULASKI-GILES COUNTY CHAMBER OF COMMERCE,
Pulaski, Tenn., July 6, 1965.

HONORABLE SUBCOMMITTEE ON PUBLIC WORKS,
U.S. Senate, Washington, D.C.

GENTLEMEN: The directors of the Pulaski-Giles County Chamber of Commerce, expressing the sentiments of its membership, has unanimously adopted a resolution endorsing the construction of the Tim's Ford Dam on the Elk River in Tennessee. We urgently request that an appropriation for this project be included in your recommendations to the Senate.

Respectfully,

W. R. WATSON, *President,*

Mrs. BROWN MILSTEAD, *Executive Secretary.*

SENATE APPROPRIATIONS SUBCOMMITTEE ON PUBLIC WORKS,
Washington, D.C.

Tennessee Valley Authority,
Knoxville, Tenn.:

We as citizens of Grundy County are working to stimulate business here, and to improve the distressed area. Construction of the Tim's Ford Dam on the Elk River will stimulate business in the entire area, and will provide tourist and recreational attraction. We are 100 percent for the construction of the Tim's Ford Dam.

Kelly Partim, Daty, Monteagle, Tenn., and 17 others.

DEMOCRATIC PARTY, LINCOLN COUNTY,
Fayetteville, Tenn., July 3, 1965.

Senator LISTER HILL,
Senator from Alabama,
Washington, D.C.

DEAR SIR: We, in Lincoln County, Tenn., are deeply interested in the building of the Tims Ford Dam. We want and need this project.

The many improvements that will be made along the full length of the Elk River in Tennessee and Alabama are so numerous that they could not be all included in one letter.

North Alabama and middle Tennessee are closely related in many lines of endeavor and the building of this dam and others to follow along the Elk River will help to make this relationship greater.

We know and appreciate the great efforts of the Honorable Joe L. Evins to secure this project. We believe that the Honorable Ross Bass will assist in every way to help us, now in the U.S. Senate, all of us need your help, to vote for this the Tims Ford Dam on Elk River, which will be the first TVA dam for this area.

Thanking you in advance for all your help and assistance in securing this project for us, we remain

Very sincerely yours,

M. R. CRABTREE, *Chairman.*
R. O. BRADLEY, *Treasurer.*
CHAS. R. GALLANT, *Secretary.*

FAYETTEVILLE LIONS CLUB,
Fayetteville, Tenn., July 9, 1965.

THE SENATE APPROPRIATIONS
SUBCOMMITTEE ON PUBLIC WORKS,
Washington, D.C.

GENTLEMEN: The Lions Club of Fayetteville, Tenn., in regular session Tuesday, July 6, 1965, voted to endorse the Tims Ford Dam project on the Elk River.

We urge your full support of this project, and that you include \$5.5 million starting funds for Tims Ford in the TVA budget.

TVA has declared the project feasible and that they are ready to proceed once funds are appropriated. The citizens of the area are overwhelmingly in favor of the project as are the public officials.

This project will mean much in establishing a resource base on which to build our economy.

Sincerely yours,

KNOX STEWART, *President.*
WALTER R. HARRIS, *Secretary.*

RESOLUTION OF THE LINCOLN COUNTY JAYCEES

Be it resolved, That the Lincoln County Jaycees, this 6th day of July 1965 fully support the Tims Ford project as proposed by the Tennessee Valley Authority Planning Division as the first step in the development of the Elk River watershed area; be it further

Resolved, That a copy of this resolution, the feelings of young men of action, be placed in the hands of all individuals or parties interested in the Tims Ford project to encourage speedy passage of legislation for the commencement of said project.

HARRY HARTON, *President.*
JOHN ED CHIDEWOOD, Jr., *Secretary.*

LIONS CLUB,
Petersburg, Tenn.

Senator LISTER HILL,
Subcommittee on Public Works,
Washington, D.C.

DEAR SIR: The Lions Club of Petersburg unanimously supports the proposal to build the Tims Ford Dam.

We urge your consideration in this project.

Sincerely,

JAMES L. ELLIS, *President.*

TOWN OF PETERSBURG, TENN.,
July 7, 1965

Senator LISTER HILL,
Chairman, Subcommittee on Public Works,
Washington, D.C.

DEAR SENATOR HILL: The board of mayor and aldermen urges your support in developing the Tims Ford Dam.

As you know, it will be a great benefit to these several counties and the Nation. This community is wholeheartedly for this project and insist on your favorable consideration.

Sincerely,

JOE L. SCOTT, *Mayor.*

C. F. W. CONSTRUCTION CO., INC.,
Fayetteville, Tenn., June 30, 1965.

HON. LISTER HILL,
Chairman, Senate Appropriations Committee,
Washington, D.C.

DEAR SENATOR HILL: This letter is to inform your committee that our company, which operates over several Southeastern States and is based on the Elk River in Fayetteville, Tenn., heartily endorses the construction of Tims Ford Dam near Fayetteville.

As far as we know, everyone in our area is practically 100 percent in favor of this project and the returns in terms of economic feasibility seem good.

We request your committee consider the construction of Tims Ford Dam favorably as the House of Representatives has done.

Sincerely,

WILLIAM R. CARTER, *President.*

KIWANIS CLUB,
Fayetteville, Tenn.

The purpose of this letter is to show that the Fayetteville (Tenn.) Kiwanis Club is behind the Tims Ford Dam project. We feel the project will give unlimited opportunities to the people of this area for recreation, industries, etc.

This has been a topic of discussion in gabfests at our weekly meetings and also we have had a couple of programs on this topic presented to our club as a whole. We are looking forward to having this project completed. We are fully behind it and will help in any way we can.

ROBERT P. REICH, Jr., *President.*

FAYETTEVILLE, TENN., July 8, 1965.

HON. LISTER HILL,
Chairman, Senate Appropriations Committee,
Washington, D.C.

DEAR SIR: A resolution was passed by the board of directors of the Fayetteville (Tenn.) Rotary Club requesting that you use your influence to make available funds to start the construction work on the Tims Ford Dam project.

Sincerely,

D. A. BUCHANAN,
President, Board of Directors,
Fayetteville Rotary Club.

H. N. REES & SON,
Fayetteville, Tenn., June 30, 1965.

Senator LISTER HILL,
Chairman, Senate Appropriations Subcommittee,
Senate Office Building, Washington, D.C.

DEAR SENATOR: This is to advise you that I heartily endorse the construction of Tims Ford Dam on Elk River.

Several years of preparatory work by numerous groups throughout this area have been devoted to this project and the populace is not only well acquainted with this idea but is enthusiastically in favor of it.

This whole concept of tributary development of the Tennessee Valley Basin is well grounded in economics as well as the raising of the standard of living of all the people in this area.

Very sincerely,

HAL C. REES.

VETERANS OF FOREIGN WARS,
SWEENEY & MCCLINTOCK POST 9442,
Cornersville, Tenn., July 15, 1965.

Senator ALBERT GORE,
Senate Office Building,
Washington, D.C.

HON. ALBERT GORE: We have been following with much interest the development of the Tims Ford project on Elk River. We believe that this project would have far-reaching benefits in our area. Water is our greatest natural resource and there has been no TVA project along this line in our area. We would appreciate any assistance you could render us in attaining this project.

Sincerely yours,

CLAY DYER,
Commander of VFW.

TOWN OF CORNERSVILLE, TENN., July 13, 1965.

Senator ALBERT GORE,
Senate Office Building,
Washington, D.C.

DEAR SIR: The citizens of the town of Cornersville, Tenn., wish to go on record in favor of the Tims Ford project, to be built on Elk River. We approve and endorse the action taken by the House of Representatives on this matter.

We think this will greatly enhance the economy and the industrial growth of our area.

Your favorable consideration of our desires will be appreciated.

Respectfully yours,

H. L. McMAHON,
Mayor.

CLAY K. DYER,
City Judge.

RESOLUTION OF MARSHALL COUNTY, LEWISBURG, TENN.

Resolved, That the Marshall County quarterly court, realizing the urgency of the Tims Ford project to the well-being of our area, hereby urge the adoption of the House of Representatives action concerning this project: Be it further

Resolved, That the wishes of this court be conveyed in person by a Marshall County delegation, and that a sum of \$200 be authorized to be used for transportation. This money to come from unappropriated income.

Passed this 12th day of July 1965, and recorded in the minutes of the quarterly county court.

JAMES R. PATTERSON,
County Judge.

STATE OF TENNESSEE,
County of Marshall:

I, H. Eucl Gillum, clerk of the county court, do hereby certify the foregoing to be a true and correct copy of the resolution as passed by the Marshall County, Tenn., quarterly county court, July 12, 1965, regarding the Tims Ford project.

This July 12, 1965.

[SEAL]

H. EUCL GILLUM,
County Court Clerk.

LYNCHBURG, TENN., July 3, 1965.

APPROPRIATIONS SUBCOMMITTEE,
U.S. Senate,
Senate Building,
Washington, D.C.

GENTLEMEN: The Lynchburg Rotary Club, Lynchburg, Tenn., hereby request that appropriations be made to start construction on Tims Ford project in Franklin County, Tenn.

We feel this project most feasible in our depressed area.
Your consideration of our request will be greatly appreciated.

Respectfully yours,

E. R. FRENCH,
President.
LEROY WILKINSON,
Secretary.

CITY OF LYNCHBURG, TENN., July 6, 1965.

SENATE APPROPRIATIONS SUBCOMMITTEE ON PUBLIC WORKS,
U.S. Senate,
Washington, D.C.

GENTLEMEN: We urge you to act favorably on an appropriation to start construction on the Tims Ford project in Franklin County, Tenn.

We remain,

Sincerely yours,

LON BURTON,
Mayor.
MAX G. ERVIN,
Recorder.
QUINN HILL,
Treasurer.

LYNCHBURG ROTARY CLUB,
Lynchburg, Tenn., July 6, 1965.

CHAIRMAN, U.S. SENATE SUBCOMMITTEE ON PUBLIC WORKS,
Committee on Appropriations, Washington, D.C.

DEAR MR. CHAIRMAN: Members of the Lynchburg Rotary Club request that your committee approve funds for the construction of the Tims Ford Dam project.

Yours very truly,

E. R. FRENCH,
President.
LEROY WILKERSON,
Secretary.

LIONS CLUB,
Lynchburg, Tenn. July 3, 1965.

U.S. SENATE, APPROPRIATIONS SUBCOMMITTEE ON PUBLIC WORKS,
Washington, D.C.

GENTLEMEN: The Lions Club of Lynchburg, Tenn., hereby request that appropriations be made to start construction on Tims Ford project in Franklin County, Tenn.

We feel this project most feasible in our depressed area.

Your consideration of our request will be greatly appreciated.

Respectfully yours,

BILLY J. HENSHAW,
President.
BILLY H. THOMAS,
Secretary.

LYNCHBURG & MOORE COUNTY CHAMBER OF COMMERCE,
Lynchburg, Tenn., July 3, 1965.

U.S. SENATE, APPROPRIATIONS SUBCOMMITTEE ON PUBLIC WORKS,
Washington, D.C.

GENTLEMEN: The Lynchburg and Moore County Chamber of Commerce, Lynchburg, Tenn., hereby request that appropriations be made to start construction on Tims Ford project in Franklin County, Tenn.

We feel this project most feasible in our depressed area.

Your consideration of our request will be greatly appreciated.

Respectfully yours,

HAROLD C. POOL,
President.
RAY BENDERMAN,
Secretary.

STATEMENT OF CLAUDE A. BLACK, EXECUTIVE VICE PRESIDENT, THE TENNESSEE RIVER & TRIBUTARIES ASSOCIATION

By name is Claude A. Black. I am the executive vice president of the Tennessee River & Tributaries Association.

This association is a nonprofit, general welfare corporation which was chartered by the State of Tennessee in 1960. It has some 270 member units, including counties, incorporated municipalities, chambers of commerce, banks, industrial and commercial firms, and individual citizens throughout the Tennessee River Basin region. TRTA is dedicated to the comprehensive and interrelated development of the resources of the region served.

We respectfully request that the Subcommittee on Public Works Appropriations, Senate Standing Committee on Appropriations, take note of and give due consideration to the long-standing emphasis which TRTA has placed upon the importance of and need for the comprehensive development of the resources of the Elk River Valley in Alabama and Tennessee, with special reference to construction of a dam and reservoir at Tims Ford on the Elk River in Franklin County, Tenn. This is attested by a formal resolution adopted by TRTA November 14, 1963, as follows:

"A RESOLUTION: ELK RIVER PROJECT SET AS NO. 1 TRTA PRIORITY, THE TENNESSEE RIVER & TRIBUTARIES ASSOCIATION

"Whereas studies and evaluations made by TVA and local resource work groups pertaining to the comprehensive and interrelated development of the resources in the Elk River Basin are further advanced than for any other tributary area in the Tennessee River Basin; and

"Whereas only a few months now remain for inclusion of the proposed Elk River project in the Federal budget for the fiscal year 1966: Now, therefore, be it

"Resolved, That the Tennessee River & Tributaries Association set development of the Elk as its No. 1 priority and seek to have the TVA Board of Directors act to initiate this development."

TRTA reiterated its position on the importance and need for construction of a dam at Tims Ford and pointed out the advantages which would accrue therefrom in a telegram to Members of the Congress having special interest in development in the Tennessee River Basin region, dated February 11, 1965, as follows:

"To CONGRESSIONAL DELEGATION,

"Tennessee River Basin Region:

"The Tennessee River & Tributaries Association joins with the people of Elk River watershed and many people throughout Alabama and Tennessee in urging that fiscal year 1966 appropriations for public works projects include specific funds for a construction start on Tims Ford Dam, on Elk River. The feasibility and desirability of this project have been established. Senator Sherman Cooper has pointed out that at this time the Nation's future is vitally dependent on full development of its water resources. Tims Ford Dam is a key feature in developing water and other resources of Elk River watershed. Tims Ford project affords unusual opportunity for joint Federal, State, and local resources, industrial, and recreational development program. TRTA speaks for 270 member units including counties, municipalities, chambers of commerce, private business, and industrial firms. All will appreciate your efforts in behalf of this project."

The consensus among the membership of TRTA favoring a construction start on a dam at Tims Ford on the Elk River in the fiscal year 1966 is now strong. Therefore, we urge that the Senate concur with provisions of H.R. 9220 which appropriates the sum of \$5,570,000 for start on construction of a Tims Ford project on the Elk River in Tennessee during the fiscal year 1966.

OFFICE OF THE VICE-CHANCELLOR,
THE UNIVERSITY OF THE SOUTH,
Sewanee, Tenn., July 6, 1965.

HON. CARL HAYDEN,
Chairman, Committee on Appropriations,
U.S. Senate, Washington, D.C.

DEAR SENATOR HAYDEN: I have been asked to write a letter by our county judge, Mr. C. O. Prince, in support of the Tims Ford Dam to be built in Franklin County, Tenn.

I wish to add my voice to those of many others in support of this worthwhile project. There are many reasons why this dam will be useful in this area. Recreation and flood control benefits provided by the construction of this dam will be multiple and varied.

As you may know Franklin County is one of the counties in Tennessee included in the Appalachia program. Money spent on this dam will help this program. There is no question of the feasibility of this project and as far as I have been able to ascertain no controversy over it.

I respectfully urge you and your committee to provide the means by which this dam may be built.

Sincerely yours,

EDWARD MCCRADY.

REPORT OF THE TENNESSEE ELK RIVER DEVELOPMENT AGENCY FOR THE YEAR 1964

To the Honorable Frank Clement, Governor of Tennessee:

The Tennessee Elk River Development Agency was created by an act of the State legislature in March 1963. The act was "to create and establish the Tennessee Elk River Development Agency to be located in Coffee, Franklin, Giles, Grundy, Lawrence, Lincoln, Marshall, and More Counties, Tenn.; being a public body corporate and politics; to authorize and provide for development and control of the water resources of the Elk River watershed and overall economic development of the area in said counties; to authorize the board of directors for said agency, to provide for the appointment of its members, term of office and define their duties and functions; to authorize the agency to acquire real property by gift, purchase, and condemnation; to authorize the agency to issue bonds; to authorize such counties, cities, and towns, to levy and collect ad valorem taxes for the purpose of this act; to authorize the administration of the provisions of this act."

An appropriation of \$10,000 was made to the agency by the 1963 State legislature for the 1963-65 biennium. Release of these funds is subject to a like amount being appropriated by the local governments of the watershed. For the year 1964 this was matched almost 2 to 1. The agency budget for 1964 was \$14,550.

The primary functions of the agency is to provide staff and financing for the Elk River Development Association; which was chartered in October 1959. The association is a volunteer, nonprofit organization with the following objectives:

"1. ARTICLE III. BYLAWS OF ASSOCIATION

"1. To plan, promote and sustain a program for full development of the land and water resources of the Elk River Valley, including but not limited to: Water use, watershed development, flood control, power production and distribution, navigation, irrigation, forestation, agricultural improvements, highways, conservation, recreation, and general land use.

"Industrial development planning, aimed particularly at well-organized regional activity in behalf of expanding old and obtaining new industry, and with some special emphasis on industry oriented to the raw materials within the Elk River Valley.

"Community and regional planning programs looking toward an optimum development of the land resources of the Elk River Basin, and emphasizing the physical and economic growth of the region.

"2. To manifest a community of interest with supporters of public development of water and energy resources throughout the Tennessee Valley and the Nation.

"3. To engage in investigation, studies, planning, reporting, dissemination of information and other appropriate activities to implement the above objectives and to work appropriate local, State and Federal agencies in realizing such objectives."

The association operates through officers, directors, and work groups in the fields of agriculture, business and industry, human resource (education and health), minerals, recreation, and water use and supply, to carry out its objectives. It has been quite successful in planning, conducting, and completing projects which contribute to the objectives. Plans are underway for expanded programs in the various resource fields.

The public information work group was established early in 1964 to develop ways and means of informing all citizens of the area of the objectives of the

agency and association and in reporting the activities of the various resource work groups.

OFFICERS AND DIRECTORS

Revenue Commissioner Donald R. King, chairman, Cornersville, State of Tennessee.

Dr. S. A. Garner, vice chairman, Pulaski, Giles County.

Judge David C. Sloan, secretary-treasurer, Fayetteville, Lincoln County.

Judge C. O. Prince, Winchester, Franklin County.

Judge Alf Clagett, Pulaski, Giles County.

Judge Parks L. Hayes, Lynchburg, Moore County.

Mayor Clinton Swafford, Winchester, Franklin County.

Mr. Ben Wilkins, Jr., Tullahoma, Coffee County.

Mr. Aaron G. Jennings, Sr., Kelso, Lincoln County.

Mr. O. H. Templeton, Belvidere, Moore County.

Mr. Bill Gunn, Monteagle, Grundy County.

Mr. Ottis J. Knippers, Lawrenceburg, Lawrence County.

Mr. W. B. Whitaker, Petersburg, Marshall County.

Mr. W. B. Holt, Pulaski, Giles County.

Mr. Billy Mason, Decherd, Franklin County.

Attorney: Mr. Don Wyatt, Fayetteville, Lincoln County.

Executive secretary: Mr. Ralph B. Mitchell, Fayetteville.

Office secretary: Mrs. Betty T. Warden, Fayetteville.

HISTORY

The Tennessee Elk River Development Agency was created by act of the Tennessee State Legislation in 1963. As Public Act 336 (senate bill 739 and house bill 915) it was created at the request of the Elk River Development Association. Passed March 22, 1963, it was approved by Gov. Frank G. Clement, March 25, 1963.

The creation of the agency grew out of a need for a public agency to serve on a partnership basis with the Elk River Development Association, a volunteer citizen organization, in resource development activities in the Elk River watershed. The agency has certain legal and fiscal powers not available to the association.

The agency is authorized to enter into contracts with Federal agencies, such as the Tennessee Valley Authority, and with State and local governments. It is authorized to provide a staff and receive funds to work on agency and association activities. An appropriation of \$10,000 was made to the agency by the 1963 State legislature for the 1963-65 biennium to aid in financing the agency. The \$5,000 annual State allocation was matched 2 to 1 by counties and cities of the watershed in 1964.

As provided by the act, 15 agency directors were appointed by Gov. Frank G. Clement in August 1963.

Soon after the appointments were complete, the directors met, elected officers, and approved a budget.

The law firm of Wyatt & Hickerson was employed as legal counsel and plans were made to hire an executive secretary and set up an office January 1, 1964.

Agency activities, 1964

Early in January of 1964 the agency directors adopted bylaws, purchased an automobile, and authorized the appointment of an executive secretary and an office secretary.

At their April 1964 meeting the agency directors heard reports of the association activities. On May 25 they met jointly with association directors and heard TVA's report on the feasibility studies of the proposed Tims Ford Dam. The cost-benefit ratio was reported as 1 to 1.3; the dam would be about 170 feet high and would create a reservoir of approximately 10,000 acres. It would be located in Franklin County, just above the bridge where State Highway 50 crosses the Elk River, between Lynchburg and Winchester. TVA continued studies on this project during the year and have begun a series of discussions with officers and committees of the Elk Agency to decide on developments to recommend in connection with the reservoir and shorelines.

Agency and association officers and directors met December 16 and discussed the provisions of the Economic Opportunity Act of 1964. They agreed to offer the services of the agency and association in establishing a development staff within the framework of the agency and association to aid cities and counties of the Elk watershed in applying for projects under the Economic Opportunity Act of 1964. At a meeting of county judges and mayors on December 22 the proposal was discussed with them. These county and city leaders will bring the proposal before their respective governing bodies at an early date.

Agency activities planned for 1965

Continue discussions with the Tennessee Valley Authority on development plans for the Tims Ford project.

Work with the association and Austin Peay State College in conducting a manpower training project in the Elk area.

Work with the association, Tennessee State Planning Commission, the Bureau of Outdoor Recreation, ARA, and others in the conduct of a recreation survey of the "Cumberland Plateau Trail." The survey is to begin in February 1965.

Work with TVA and the association in planning for annual and long-range plans for development of human and natural resources of the Elk watershed.

FINANCIAL REPORT, 1964

Budget for 1965

INCOME

	1964	1965		1964	1965
State of Tennessee.....	\$5,000	\$5,000	Power systems:		
Counties:			Fayetteville, Lincoln County..	500	500
Coffee.....	750	750	Duck River.....	0	300
Franklin.....	750	750	Winchester.....	0	200
Giles.....	0	1,000	Pulaski.....	0	200
Grundy.....	250	250	Limestone and Lauderdale.....	0	500
Lauderdale.....	0	1,000	Total.....	500	1,700
Lawrence.....	500	500	Industries:		
Limestone.....	12,000	12,000	Coffee.....		750
Lincoln.....	2,000	2,000	Franklin.....		1,250
Marshall.....	0	500	Moore.....		500
Moore.....	200	200	Lincoln.....		1,250
Total.....	11,450	13,950	Lawrence.....		500
Income, cities:			Marshall.....		250
Pulaski.....	1,000	1,000	Grundy.....		250
Lawrenceburg.....	0	250	Giles.....		1,250
Tullahoma.....	750	750	Limestone.....		1,250
Winchester.....	750	750	Lauderdale.....		250
Decherd.....	0	100	Total.....		7,500
Lynchburg.....	0	100	Income summary:		
Cornersville.....	0	100	State of Tennessee.....	5,000	5,000
Lewisburg.....	0	200	Counties.....	6,450	8,850
Cowan.....	0	200	Cities.....	3,600	5,750
Fayetteville.....	1,000	1,000	Industry.....	0	7,500
Petersburg.....	100	100	Total.....	15,050	27,100
Athens, Ala.....	0	500			
Florence, Ala.....	0	500			
Rogersville, Ala.....	0	200			
Total.....	3,600	5,750			

¹ Paid to the association.

EXPENSES

	Actual, 1964	Budgeted, 1965
Personnel:		
Executive secretary.....	\$7,386.96	\$7,839.40
Office secretary.....	1,738.42	2,124.60
Custodial.....	12.25	150.00
Executive secretary expenses.....	379.58	600.00
Social security.....	492.90	493.00
State retirement.....	259.90	345.00
Federal withholding taxes.....	1,108.80	1,238.00
Attorney.....	300.00	300.00
Subtotal.....	11,678.81	13,090.00
Automobile:		
Operating.....	311.93	750.00
Repairs and tires.....	162.14	250.00
Insurance (18 months for 1964).....	142.80	100.00
Subtotal.....	616.87	1,100.00
Office:		
Phone.....	622.30	1,000.00
Postage.....	225.00	300.00
Stationery and mimeograph supplies and miscellaneous.....	369.00	300.00
Subtotal.....	1,216.30	1,600.00
Agency directors expense.....	73.30	1,000.00
Total.....	13,585.28	16,790.00
Capital expenditures:		
Automobile.....	1,105.00	
Air conditioner and installation.....	138.00	
Mimeo machine, typewriter, desk lamp, filing cabinets, projectors (2), tape recorders (2), screens (3).....		2,060.00
Total capital expenditures.....	1,243.00	2,060.00
Total budget.....	14,828.28	18,850.00

OFFICERS AND DIRECTORS, 1964

President: Mr. W. A. Smith, Winchester.
 First vice president: Mr. Frank Turner, Athens, Ala.
 Second vice president: Dr. Gordon Shivas, Pulaski.
 Secretary: Mr. Jim Bedford, Lynchburg.
 Treasurer: Mr. M. D. Crabtree, Fayetteville.
 Director at large: Mr. Joe Sir, Fayetteville.
 Director at large: Mr. Roy Tipps, Winchester.
 Executive secretary: Mr. Ralph B. Mitchell, Fayetteville.
 Office secretary: Mrs. Betty T. Warden, Fayetteville.

Coffee County:

Mr. Joe Lasater
 Mr. Morris Simon
 Mr. A. H. Sanders

Franklin County:

Mr. George Thorogood
 Mr. John Fandrich
 Mr. J. L. Henderson

Giles County:

Dr. Gordon Shivas
 Mr. Cowan Forbes
 Mr. Alan McKay

Grundy County:

Mr. Don Underhill
 Mr. Douglas Campbell
 Mr. Horace Moore

Lauderdale County, Ala.:

Col. C. L. Haley III
 Mr. W. B. Comer
 Mr. D. S. Belew

Lawrence County:

Mr. Oron Hood
 Mr. James Hagan
 Mr. Ernest Harlan

Limestone County, Ala.:

Mr. Frank P. Turner
 Mayor Robert A. Tinnon
 Commissioner Homer McLemore

Lincoln County:

Mr. Charles Vance
 Mrs. John Hampton
 Mr. William Sugg

Marshall County:

Mr. W. D. London
 Mr. Lawton Tarpley
 Mr. Alfred Jones

Moore County:

Mr. Fred Price
 Mr. Nath Osborne
 Mr. Jim Bedford

HISTORY, 1959-63

The organization officially began October 1, 1959, when a charter of incorporation signed by five citizens of the Elk watershed was approved by the State of Tennessee.

The interest of a group of citizens of the area in resource development led to the application for the charter. The Elk watershed includes all or part of eight Tennessee and two Alabama counties; namely: Coffee, Franklin, Giles, Grundy, Lawrence, Lincoln, Marshall, and Moore Counties, Tenn., and Lauderdale and Limestone in Alabama.

From its beginning the assistance of TVA was sought to develop the water resources of the Elk River.

In 1961 TVA proposed to ERDA the initiation of a comprehensive program of resource development for the Elk Valley. ERDA accepted the proposal.

The first step in planning an expanded resource development effort was to prepare an inventory of resources. Membership then totaled 800 and more than 50 of these citizens joined with TVA and other public agencies in an analysis of natural and human resources of the watershed, and the identification of certain needs and responsibilities. This resource inventory provides the basic groundwork from which to determine goals and develop a program.

A full-time executive director was employed in the year 1962 to coordinate the work of securing volunteer assistance and assembling inventory data. The inventory was published in August 1962.

Then began a series of meetings in each resource field, with representations from the counties of the watershed. Using the data and suggestions of the inventory report and other technical help from TVA and other agencies these work groups began to develop plans for making improvements in their respective fields.

In 1962, in Lincoln County, an intensive program was started by ERDA, TVA, and the Agricultural Extension Services to strengthen the agricultural economy. Soil testing, increased fertilizer use, and modern farm management practices increased the net income of Lincoln County farm by \$250,000 in 1 year. In 1963 the same program was conducted in seven Tennessee counties, and the two Alabama counties, resulting in about \$1 million added farm income to the entire watershed.

Work group activities in forestry consisted of an intensive campaign, valley-wide, with committees in each county promoting "Plant Trees-Grow Jobs" and good forestry management practices and forest fire control.

The business and industry work group helped local communities locate and secure industrial parks. TVA aided in mapping of the sites. Several new industries have located on these parks.

TVA began making investigations on the feasibility of a system of dams and channel improvements on the Elk River and its tributaries. Studies to help local communities understand their flood problems and devise ways of reducing flood damage were completed for Athens, Pulaski, Fayetteville, and Tullahoma.

The association was without an executive director during the year 1963.

Beginning January 1, 1964, the executive secretary employed by the agency served as executive director of the association.

A report of the association's activities in 1964 follows:

ASSOCIATION ACTIVITIES, 1964

General objectives for 1964 agreed upon by the officers and directors were—

1. Continue and expand resource development activities through the eight work groups, calling on TVA, State agencies and others for technical help.
2. Improve lines of communication between ERDA, the membership and general public and between agency and association officers and directors, and public officials.
3. Develop better understanding by the general public of the purposes, objectives, and activities of the agency and association.
4. Review work group membership and make necessary appointments to bring each group up to full strength, with dedicated, interested men and women.

WORK GROUP ACTIVITIES—1964

Agriculture

1. Soil testing and fertilizer demonstrations programs continuing in seven Tennessee and two Alabama counties; 1963 reports show \$3 to \$7 return for each dollar spent for fertilizer. Farmers numbering 2,152 used 4,596 tons of demonstration material on 67,184 acres in 1963. Expected use in 1964 is 5,000 tons. TVA and Tennessee and Alabama agriculture extension budgets for Elk agriculture development for fiscal year 1963-64 was \$224,054. A like amount is appropriated for 1964-65. An areawide meeting was held on soil fertility.

2. Emphasis on livestock improvement was begun this year. A livestock survey was conducted through cooperation with UT. Performance testing activities are being promoted; several counties have secured portable scales for use by farmers. An areawide meeting was held on performance testing and the marketing of livestock. An area livestock cooperative market was established by farmers; location, Fayetteville.

3. Slide-lecture on Elk agriculture activities and results of demonstrations is being prepared for use throughout the area.

4. TVA division heads and other top officials led by Mr. L. J. Van Mol, visited Lincoln County to hear and see results of agricultural program.

Business and industry

1. Mailed forestry inventory and letter to 85 selected wood-using industries emphasizing advantages of Elk area.

2. Surveyed contractors and building supply dealers to determine need of a brick plant in the area.

3. Secured cooperation of TVA in mapping industrial sites for communities of the Elk area.

Forestry

1. Promoted reforestation and good forest management through work group and county forestry committees. Supported "Plant Trees—Grow Jobs" of TVA Forestry Division.

2. Selected "pilot forest," a demonstration forestry management project to show landowners how they may profitably grow trees. Hiwassee Land Co. to conduct project.

3. TVA carrying out two pacesetter demonstrations on private land.

4. Pulpwood market established in area.

Human resource—Education

1. Applied for training program for the unskilled and unemployed of the area. This would be a cooperative program with Austin Peay State College; 120 heads of household would be trained in a marketable skill. Funds would be provided through the Manpower Training and Development Act of 1962. Training centers would be Winchester, Fayetteville, and Pulaski. Trainees would come from throughout the Elk area.

2. Fifteen local business and professional men and women of Lincoln County were selected to serve as counselors for school students who were considering dropping out of school. Teachers and principals help spot these potential drop-outs. All five Lincoln County high schools are cooperating.

Human resources—Health

The services of Ray Mathison, health educator, are made available by TVA. He works through the local health departments. He is assigned full time in ERDA counties.

Health activities to date include:

1. Work with a nursing advisory committee for Lewisburg Housing Authority.

2. Held two meetings with health department personnel of the Elk counties to discuss community development philosophy and plan activities.

3. Worked with biology classes at Tracy City High School and citizens of Grundy County in community action programs to combat sanitation and sewage disposal problems.

4. Assisted citizens of area south of Fayetteville in planning for sanitary water source.

5. Application has been made by Austin Peay State College to the Office of Manpower, Automation, and Training, U.S. Department of Labor, Washington, D.C., to set up a demonstration training project in the Elk watershed. Trainees

would be the unemployed, unskilled of the area. The association would work in recruiting and job placement of the trainees.

6. Applied for a Job Corps camp to be located on Government property (old Camp Forrest) in Coffee County.

Minerals work group

1. File of data and maps is maintained in ERDA Office on Mineral Resources. This is being supplemented from time to time as additional data is obtained from TVA, State geologist, and other sources. This information available to prospective industries.

2. Samples of clay secured at two locations and tested by TVA for brick-making qualities.

3. Explored possibilities of marketing fieldstone for building purposes.

Public finance and services

These activities are conducted by the steering committee, made up of the association officers and chairmen of each resource work group.

1. Promoted "Operation Townlift" at Pulaski, a project to improve looks and function of the downtown area. The State planning commission, State highway department, and TVA cooperated in the project. Work has begun on one side of the square.

2. Downtown merchants have asked for a similar study at Fayetteville. Fieldwork by State planning commission and State highway department has been completed.

3. A meeting of public officials of the Elk area has been held with TVA public service specialist. Discussion was on ways of improving services.

Recreation work group

1. A county commission for dealing with recreation activities in Franklin County has been formed and bylaws completed. The 30 member commission is made up of members from the county and city recreation commission members appointed by their respective governing bodies. The then recreation work group chairman, W. A. Smith led this effort and saw it through to completion.

2. Preliminary contacts have been made in Coffee, Lawrence, Giles, and Moore Counties toward setting up similar commissions.

3. Pulaski and Tullahoma have completed plans for a new recreation center and buildings.

4. Cosponsored the application to Area Redevelopment Administration and Bureau of Out-Door Recreation for a recreation survey across the Cumberland Mountains. The survey has been approved and will start in mid-February 1965.

Information work group

With assistance from TVA prepared a 22 minute slide-lecture "Opportunity in the Valley of the Elk." This program has been presented to 32 groups of adults and youth, with total attendance of 2,128 persons. Reception has been excellent.

2. Published the first issue of the ERDA News, three thousand two hundred and fifty copies have been distributed to the 2,000 ERDA members, public officials, and other interested people.

3. Five thousand copies of a pamphlet on agency and association activities has been printed and distributed.

4. ERDA windshield stickers have been secured for members.

5. Forty news releases have been prepared and copies mailed to 19 area newspapers and 15 radio stations.

MEMBERSHIP

ERDA membership now totals over 2,000; officers, directors, committeemen, and work group members total 150. These people give voluntarily of their time, talents, and energies to promote the improvement of the Elk Valley, to make it a better place to live.

Financial report, 1964

Income:

Balance on hand Jan. 1, 1964	\$1, 183. 16
Memberships	2, 490. 00
Sale of automobile (equity)	462. 38
Other income	102. 41
Limestone County (1965)	2, 025. 00
1964 income	6, 262. 95

Expenses:

TRTA dues	60. 00
Old accounts (paid in full)	688. 96
To Elk Agency	1, 000. 00
Office supplies	282. 31
Postage	149. 37
Phone	291. 71
Printing	492. 95
Check returned	1. 00
Officers expenses	328. 84
Meetings and meals	346. 77
Meals—work groups	76. 22
Newspapers	5. 00
1964 expenses	3, 723. 13
Balance Dec. 31, 1964	2, 539. 82

[Conformed copy]

TV-25723A

MEMORANDUM OF UNDERSTANDING AMONG TENNESSEE VALLEY AUTHORITY, ELK RIVER DEVELOPMENT ASSOCIATION, AND TENNESSEE ELK RIVER DEVELOPMENT AGENCY

This memorandum of understanding, among the Tennessee Valley Authority, hereinafter called TVA, the Elk River Development Association, hereinafter called association, and the Tennessee Elk River Development Agency, hereinafter called agency, is made and entered into in order to define areas of responsibility and to establish guidelines for cooperation among the parties in a program aimed at fully developing and properly using all resources of the watershed, singly and in combination, to insure maximum economic growth and obtain related benefits.

BACKGROUND

The Tennessee Valley Authority has responsibilities under the TVA Act relating to the control and use of the Tennessee River and its tributaries, and the development and use of the resources of the Tennessee Valley. Since 1933, TVA has cooperated with other public agencies, landowners, and industries in comprehensive resource development in the Tennessee Valley region. In 1961, it established an Office of Tributary Area Development to coordinate the activities of TVA program divisions in cooperating with other public agencies and with representative citizen groups active in furthering resource development in tributary areas.

The Elk River Development Association was chartered in October 1959 to "plan, promote, and sustain a program for full development of the land and water resources of the Elk River valley" which contains 2,249 square miles including all or portions of 10 counties—8 in Tennessee and 2 in Alabama. Since that date, the association, TVA, and other public agencies have been cooperatively engaged in a unified comprehensive resource development program in the Elk River watershed. Every citizen of the watershed is eligible to join the association and participate in the cooperative program. The association's officers and policymaking board of directors are selected by the membership, which now exceeds 1,700. The association and its eight resource work groups have insured a broad base of local understanding and active participation in resource development activities.

The Tennessee Elk River Development Agency, an organization complementary to the association, was created by the 1963 session of the Tennessee State Legis-

lature as "a public body corporate and politic" to develop and effectuate "plans and programs for comprehensive development including the control and development of the water resources," with the legal authority necessary to carry out certain phases of the resource development program being planned for the watershed. It is vested with legal powers to receive appropriations, enter into and carry out contracts, and perform other functions which can be performed only by public agencies.

The association agrees to—

- (1) Accept primary responsibility for planning and promoting a unified comprehensive resource development program for the Elk River watershed.
- (2) Plan and conduct a continuing information and education program to develop and sustain a broad base of public understanding and participation in the resource development program, thereby insuring maximum benefits to the watershed.
- (3) Provide advisory assistance to the agency and TVA in the planning and performance of their respective responsibilities.

The agency agrees to—

- (1) Provide staff support and assistance to the association, including but not limited to, the services of the agency's executive secretary.
- (2) Accept primary responsibility for obtaining appropriate local financial participation in the area development program and in water control improvements which may be a part of that program.
- (3) Work with TVA and State agencies to develop land use and management plans to insure maximum benefit to the public from reservoirs created as part of the area development program.
- (4) Provide advisory assistance to the association, TVA, and other participating agencies.

TVA agrees to—

- (1) Provide (or assist in obtaining) technical assistance and support for the association and the agency in their area development activities.
- (2) Assume, within the limits of available funds, primary responsibility for planning, construction, and operation of a comprehensive water control system in the watershed as part of the area development program.
- (3) Work with the agency in obtaining local financial participation in this program.
- (4) Through its Office of Tributary Area Development, provide liaison among the parties and their cooperating agencies.

The association, the agency, and TVA agree—

- (1) Each of the association's resource work groups, in cooperation with the appropriate TVA program divisions, will each year prepare written work plans outlining activities to be carried out in its respective resource field. These work plans will be coordinated and reviewed by the association's steering committee, appropriate representatives of the agency, and TVA's Office of Tributary Area Development.
- (2) Each of the parties to this agreement will be responsible for obtaining the cooperation, support, and assistance of State and local agencies within their respective areas of responsibility.
- (3) This memorandum is subject to change through mutual agreement as the needs of the area development program in the Elk River watershed require.

This memorandum of understanding is entered into by the parties, through their authorized representatives, as of the 22d day of December 1964.

TENNESSEE VALLEY AUTHORITY,

By RICHARD KILBOURNE,

Director, Office of Tributary Area Development (JDV/Law).

ELK RIVER DEVELOPMENT ASSOCIATION,

By W. A. SMITH.

TENNESSEE ELK RIVER DEVELOPMENT AGENCY,

By DONALD R. KING.

FAYETTEVILLE, TENN., June 29, 1965.

SENATE APPROPRIATIONS SUBCOMMITTEE ON PUBLIC WORKS,
Senate Office Building,
Washington, D.C.

GENTLEMEN: I am very interested in the Tims Ford project. I have been associated with industry in the city of Fayetteville since 1927, and it was

necessary for me to keep a record of floods in the Elk River. The Woods Reservoir has helped considerably in the control and relieving of flood damage.

I believe that Tims Ford reservoir would completely relieve flood hazards of the Elk River below Tims Ford Dam.

Also, it would furnish opportunities for recreation and enhance the land values surrounding the lake.

I personally would appreciate your support of this project.

Yours sincerely,

CHARLES VANCE.

STATEMENT BY THE TENNESSEE ELK RIVER DEVELOPMENT AGENCY AND THE ELK RIVER DEVELOPMENT ASSOCIATION

Mr. Chairman and members of the Senate Public Works Subcommittee, We represent two organizations—the Tennessee Elk River Development Agency and the Elk River Development Association and are joined together for the sole objective of developing fully the available human and natural resources of the Elk River Valley.

Several years ago responsible business and civic leaders and city and county officials became alarmed that each year our citizens were having to leave our area to seek and secure employment.

Meetings were held in the late 1950's to chart a course of action which would in time reverse the exodus of people from the Elk River watershed, eventually provide the citizens of our area with employment and a better place in which to live.

In our search for assistance in reaching these high goals we naturally turned to TVA. Its record of success for more than a quarter of a century throughout the Tennessee Valley in helping develop the resources of the Tennessee River and tributaries is well documented.

The private investment of more than a billion dollars along the Tennessee Valley Authority reservoirs speaks for itself. It has provided a valuable resource base for these areas to build upon. Recreational developments in addition to industrial investments have also contributed substantially to the economy of these areas.

As was pointed out earlier in this report, the citizens of the Elk watershed began in the late 1950's to dream of developments in our valley which would help to bring about economic growth and enable our people to fully use their resources.

The Elk River Development Association was chartered in October of 1959. It is a volunteer citizens organization, consisting of 2,400 currently paid-up members. With the creation of TVA's tributary area development office in 1961, the association and its objectives coincided with TVA's plans for identifying and solving and remedying problems in the tributary watersheds. Work groups of citizens were set up in all resource fields—agriculture, business and industry, forestry, water, minerals, recreation, and human resources (education and health).

With the assistance of TVA the work groups made a detailed study and inventory of these resources. Suggestions and plans were also made to resolve the problems and to effect improvements in each resource field.

By request of and with the aid of the Elk River Development Association, the Tennessee State Legislature in 1963 was requested to create the Tennessee Elk River Development Agency. In March of 1963, the act creating the Tennessee Elk River Development Agency was properly passed by the General Assembly of Tennessee and approved by Gov. Frank G. Clement, thus constituting the agency as a duly and legally qualified agency or arm of the State of Tennessee. The Agency Act provides legal status, governmental support, and fiscal responsibility. The agency maintains a staff which works for both the agency and the association. The objectives of both organizations are identical, id est "To fully develop and properly use all available resources, singly and in combination, to insure economic growth, and make the Elk River a better place in which to live.

The agency is financed by appropriations from the State of Tennessee, county, and local governments. Full cooperation of local and State governments has been evident from the outset, as reflected in the financial participation, as well as in various projects undertaken on an areawide basis. Examples of these projects are as follows:

1. Development staff added to the agency office to aid counties and communities in setting up projects under the Office of Economic Opportunity (the anti-

poverty program). The Elk agency assumed this responsibility after resolutions were passed by the county courts and cities of the watershed requesting it to do so.

2. The Elk organizations are working with Austin Peay College in conducting an experimental and demonstrational manpower training project through the Department of Labor for uneducated and unskilled rural heads of households in the Elk watershed. One hundred and twenty persons will be trained.

3. Seven Upper Duck and Elk Counties have combined efforts to secure a junior college in the area. Complete unity and cooperation of the joint citizens committee and the county and city governments has been quite evident in this effort.

A WATER CONTROL SYSTEM NECESSARY

A comprehensive water control system in the Elk River watershed is a necessary and integral part of a total resource development program. The Tennessee Valley Authority has been making investigations on the feasibility of a system of dams and channel improvements on the Elk River and its tributaries.

These studies have shown that—

1. That a dam and reservoir constructed at the Tims Ford site in Franklin County, Tenn., is the logical first unit of water resource development.
2. That such a reservoir would provide:
 - (a) Urban and agricultural flood protection in the area;
 - (b) Important additions to the regional flood control system of TVA;
 - (c) Dependable and clean sources for municipal, industrial, and agricultural water supply;
 - (d) Significant increase in the recreational potential of the area, providing an opportunity for all phases of water-based recreation; and
 - (f) For the generation of dependable electric power.
3. That such a project is both technically feasible and economically justified.
4. The plan of local participation by the agency and association with the TVA in capturing the economic benefits of this project substantiates it as a sound investment.
5. TVA has assured us that they are prepared to start construction when funds are approved.

The Tims Ford project would provide a base for extensive development of the shoreline lands. The reservoir would cover 10,000 acres, about three-fourths of which is marginal land and not very productive for agricultural use. The shoreline would be about 250 miles in length. The area around the shoreline is easily accessible with existing roads and is of level to rolling terrain, lending itself to wide use for industrial, recreational, and residential development. With the cooperative spirit, initiative, and support given to both agency and association activities, orderly planning and development of these valuable shoreline lands is to be expected.

By means of resolutions and a memorandum of understanding between the agency and association and TVA a three-way partnership has been established to plan and conduct all resource development activities.

Specific resolutions and a memorandum of understanding have been adopted by the three groups—TVA, the Tennessee Elk River Development Agency, and the Elk River Development Association—for the development of the Tims Ford project. These documents provide for local financial participation and for close cooperation in planning for best possible land use around the Times Ford Reservoir. TVA has documented these actions with their report to your committee.

In summary, we offer the following specific reasons which dictate that the Congress should act favorably in support of starting funds for the Tims Ford Dam. It has very broad support and participation of citizens and State and local governments. Some 175,000 citizens reside in the 10 Elk River counties. This follows the concept followed by many Federal programs of late and is a trend worldwide. It follows the tributary area development concept of TVA in that broad citizen support has been evident throughout the years since the Elk River Development Association began activities concerned with the unified development of all resources. Very little opposition is evident. The Tims Ford Dam is feasible and practical.

We, therefore, submit this report and most respectfully solicit your full cooperation and support in the furtherance of this project and in the appropriation of the greatly needed starting funds therefor.

STATEMENT BY W. A. SMITH, PRESIDENT, THE ELK RIVER DEVELOPMENT ASSOCIATION

Mr. Chairman and members of this distinguished committee, I thank you for this opportunity to speak in behalf of the citizens of Alabama and Tennessee whom I have the honor and privilege to serve as president of the Elk River Development Association. I am a native of the Elk River Valley; born in Limestone County, Ala., married a Lincoln County, Tenn., girl, have been a resident of Franklin County the past 13 years, and presently employed in supervision of maintenance at the Rocket Test Facility, AEDC, near Tullahoma, Tenn. It's a pleasure and a challenge to be associated with such a group of citizens who devote hours of personal time and money above and beyond that required for their means of livelihood and family necessity to do the most we can with the resources we have to make our valley a pleasant and productive place for our people to live.

In the interest of this objective, we come today to urge your support and favorable action on the Tims Ford project in concurrence with the House of Representatives and upon recommendation of the Tennessee Valley Authority. This request does not come from a hastily contrived organization, which seeks to use this project as a springboard to initiate a possible program of work, but rather the delegation who appear here today at their own expense representing local governments, chambers of commerce, banks, civic clubs, news media, and many other organizations from several counties, bring testimony which attests to the fact of an organizational structure geared to utilize the Tims Fords project in a total resource development program which has been underway for many years.

Mr. Chairman, I wish to briefly supplement the testimony of Commissioner King, chairman of the Tennessee Elk River Development Agency, and on our readiness to proceed with the TVA as indicated in their project planning report; and to highlight some of the activities of this regional effort which transcends city, county, and State lines to show how the benefits of the Tims Ford project by local participation will become an integral part of our program. Since the inception of the Office of Tributary Area Development by the TVA, we have received their technical assistance and our scope of activities in cooperation with them have established a most harmonious working relationship. While engineering and feasibility studies for a comprehensive water control system in the Elk River watershed have been underway by TVA, we have been trying to get ready at the local level to insure capturing the potential benefits of these dams and reservoirs when they come. Upon the premise that help comes to those who help themselves, we are utilizing our own potential while taking advantage of all opportunities presented by Federal legislation requiring local participation. I can assure you today that based on our experience under this concept we are ready for Tims Ford.

We need Tims Ford for agricultural water supply and control of downstream flooding of farmland as well as flood control at Fayetteville, Tenn., and the TVA regional system. But we also need to reach our goal of doubling our farmer's income by improved use of fertilizer, farm management, etc. We have made great progress in this program in cooperation with the TVA and extension services of both Alabama and Tennessee land-grant colleges. Our forestry work group in cooperation with the TVA and other forestry agencies have an active program of pacesetter demonstrations, and the location of a pilot demonstration forest in cooperation with Hiwassee Land Co. to urge our farmers to put their unused hills and hollows to work.

We need Tims Ford for adequate water supply for municipal use and for industrial shoreline development. TVA in cooperation with our business and industry work group has selected, helped get under control, and mapped industrial sites in towns of the watershed. We are a member of the team for industrial development and the stage is set for using Tims Ford shorelines. We need Tims Ford for the 40,000 kilowatts of dependable capacity with peaking potential of electrical energy for this expanding development and also for this region of our Nation's space research laboratories. Tims Ford Dam, by regulating flow, will aid navigation down river to move our minerals as they are put to work in our economy.

We need Tims Ford Reservoir to significantly increase the recreation potential of the area through providing the opportunity for all phases of water-based recreation; improve the wildlife and fish habitats; and make this area a tourist destination point to enhance the fast-growing recreation industry. But we've

been busy while waiting for this. Our recreation work group with TVA have made tourism surveys, promoted establishment of city and county recreation commissions, the building of parks and recreation centers. With four of our counties in Appalachia we have sponsored with others a survey of tourist and recreation potential of the Cumberland Plateau from Kentucky through Tennessee and Alabama to Georgia. This survey by the Bureau of Outdoor Recreation, financed by ARA is completed with the report and recommendations expected shortly. An implementing organization and highway construction or improvements will put the report to work.

Mr. Chairman, I could go on and on with mention of our work for better local government, beautification of our cities and downtown areas, etc., but I must emphasize in conclusion that the key element in this effort is people and it is for them we exist. Programs in health and education to mobilize our human resources in step with that of natural resources is imperative. Political leaders and elder statesmen of Tennessee say the cooperation of cities, counties, and citizens for the establishment of a junior college in our area is the most outstanding they have ever seen. The same is true in our administration of the Economic Opportunity Act.

A program of on-job training and literacy education for the hard-core unemployed is getting underway in cooperation with Austin Peay State College and the Department of Labor. These efforts supplement literacy programs and school dropout work previously in operation. Neither, Mr. Chairman, are we unmindful of our children and their future. We provide for junior membership in our association with periodic information and educational visits to our schools. How do they feel and react to the ERDA program? Two brief examples are typical and will suffice for answer. I quote from our latest edition of ERDA News. "Boy Scouts of Belvidere in Franklin County planted 6,000 pines on the farm of Mr. H. G. Leichty, earning money for their troop treasury. Their scoutmaster is Mr. Max Westbrook." And, "What is youth's recreation to ERDA? A Lynchburg High School student answers, I think the ERDA idea is a very good one. I would like to come back and live in this area after I finish school, but I sometimes have wondered if I could find a good paying job around here 5 or 6 years from now. I think the ERDA is increasing my hopes and chances of doing so." Perhaps if we would project ourself into the future and look back we might capture the thought of a student in his own words who presented the winning speech in a Dale Carnegie class at Fayetteville. I quote, "The time: 1980; The scene: Fayetteville and Lincoln County. Just 4 years ago the last dam was completed on the Elk River. I can see the Reynolds Aluminum plant down the river and the Minneapolis-Honeywell plant up the river from Fayetteville. There are now two new bridges over the Elk. I can see fishing boats in the distance. We now have irrigation, navigation, and recreation. Fayetteville now has a population of 30,000. The young people no longer have to leave home to find good jobs. The graduates of the 1965 Dale Carnegie class have prospered. A dream? Yes. But a dream which may well come true if we will get behind the people who are working for the development of Elk River."

The Tims Ford project is the first unit of this dream. The people are ready. The TVA is ready. Tims Ford is in the national interest. I urge your support and concurrence with the House on this great project to reaffirm the faith of the people upon the principle that our Federal Government is willing to "help those who help themselves."

Thank you.

THE ELK RIVER DEVELOPMENT ASSOCIATION,
Fayetteville, Tenn., July 17, 1965.

HON. LISTER HILL,
Chairman, Senate Appropriations Subcommittee, Senate Office Building, Washington, D.C.

DEAR SENATOR HILL: Enclosed please find endorsements for the Tims Ford project on the Elk River in Franklin County, Tenn., from the following:

The Middle Tennessee Industrial Development Association, Nashville, Tenn.

Southern Nurserymen's Association, McMinnville, Tenn.

Tennessee Valley Nursery, Winchester, Tenn.

Boyd Nursery Co., McMinnville, Tenn.

Forest Nursery Co., McMinnville, Tenn.

The town of Estill Springs, Tenn., John Gaul, mayor.

Please add these endorsements to those we submitted at the hearing before your committee Friday, July 16.

Sincerely yours,

RALPH MITCHELL, *Executive Director.*

RESOLUTION

Whereas the House of Representatives of the U.S. Congress has recently appropriated \$5.57 million for the beginning of construction of a dam on Elk River at Tims Ford; and

Whereas this bill will soon be considered by the U.S. Senate; and

Whereas the construction of such a dam would greatly enhance the efforts of the Middle Tennessee Industrial Development Association: Now, therefore, be it

Resolved, That the Middle Tennessee Industrial Development Association does hereby wholeheartedly endorse and approve the construction of the proposed dam on Elk River at Tims Ford.

Adopted this 13th day of July 1965.

HERSHEL APPLE, Jr.

SOUTHERN NURSERYMEN'S ASSOCIATION,
McMinnville, Tenn., July 12, 1965.

Judge C. O. PRINCE,
Winchester, Tenn.

DEAR JUDGE PRINCE: From press reports, a great deal of study has been given to determine the feasibility of the proposed Tims Ford Dam, a project we believe would add to the economy of Tennessee.

As you know, the production of shade and ornamental trees, flowering shrubs, evergreens, and fruit trees is a sizable operation in Tennessee and adds substantially to our economy, particularly in some areas.

Of the total acreage in Tennessee devoted to the production of nursery-grown plants, some two-thirds of this acreage is in middle Tennessee and approximately 50 percent of the total acreage is in Warren and Franklin Counties.

For this reason, those engaged in this branch of horticulture in Tennessee are interested in this project and urge its early approval.

Very sincerely,

PORTER HENEGAR,
Executive Secretary.

TENNESSEE VALLEY NURSERY,
Winchester, Tenn., July 12, 1965.

Hon. JUDGE C. O. PRINCE,
Winchester, Tenn.

DEAR JUDGE PRINCE: The middle Tennessee area is well blessed with a supply of fresh water that flows to the Tennessee River reservoirs. It seems logical that the impoundment of the Elk River at Tims Ford to form a new reservoir would be of great economic value to this portion of the State, providing us with downstream flood control, power, recreation, and water for irrigation.

The ever-increasing consumption of the daily water requirements for residential and industrial purposes could conceivably develop a water shortage in the future.

Irrigation plays a vital role to the agricultural community of the midstate area. The nursery business, in which I am engaged, could not operate efficiently without irrigation.

In conclusion, I would like to state that the Tims Ford Dam should be constructed and that the riparian rights of the adjacent property owners be preserved and protected.

Yours truly,

HOSKINS A. SHADOW.

BOYD NURSERY Co., INC.,
McMinnville, Tenn., July 12, 1965.

Judge C. O. PRINCE,
Winchester, Tenn.

DEAR JUDGE PRINCE: We have just heard, through our mutual good friend, Mr. Ed Chatten of the Southern Nursery & Landscape Co., about the Tim's Ford Dam project.

This project could be one of the greatest boosts to our area in middle Tennessee, and especially to nurserymen and farmers who depend on water for irrigation to make plants grow.

Yours very truly,

HENRY N. BOYD.

FOREST NURSERY Co.,
McMinnville, Tenn., July 12, 1965.

Re Tim Ford Dam on Elk River.

Judge C. O. PRINCE,
Winchester, Tenn.

DEAR JUDGE PRINCE: We are very much interested in seeing the Tim Ford Dam built on Elk River. We are confident that it would be beneficial to the nursery industry in that section as well as the entire State. We feel sure this would be an asset to our State in its flood control program, its economy, and transportation.

Sincerely,

HIRAM B. STUBBLEFIELD, *President.*

ESTILL SPRINGS, TENN., July 7, 1965.

To Whom It May Concern:

The Board of Mayor and Alderman of the Town of Estill Springs, along with its citizens, heartily approve of the Tims Ford Dam program and desire very much that it be begun and completed. We will give our wholehearted support to any program that will benefit the country, and we feel that this project will be a great asset to all the people above the dam and also those below the dam.

We sincerely petition those in charge to use all the influence possible to achieve this project.

JOHN GAUL, *Mayor.*

BUDGET BUREAU RECOMMENDATION

Mr. KING. I have with me Mr. Bill Smith, president of the Elk River Development Association, which has 2,400 active members that are from these two States, and he has a few additional comments.

Senator ELLENDER. May I ask a question?

Evidently when the TVA made a selection of Tellico, the choice was made because of certain facts presented. Now, did the people who represented Tims Ford project appear before any officials of the TVA so as to argue their case before a decision was made by the TVA to recommend Tellico instead of Tims Ford?

Mr. KING. Sir, I understand that the TVA presented to the Bureau of the Budget both projects. I understand that the Bureau of the Budget did not give consideration to—as much consideration to the Tims Ford project at that time, for two reasons. The first reason was there were certain budget limitations which the President had set—and that they could not exceed.

Second, the Tims Ford project planning report had not been actually officially presented as a completed document. Since that time, the document has been completed.

Senator ELLENDER. By whom?

Mr. KING. By the TVA. All the planning studies, as I understand, have been completed, engineering feasibility is here.

TVA RECOMMENDATION

Senator ELLENDER. I understood Mr. Wagner to say this morning that TVA recommended Tellico.

Mr. KING. As I understood it—as I understand it from TVA, being perfectly fair with everyone—TVA, when faced with the selection of the project, because of budget limitations, they elected to go with the Tellico project.

Senator ELLENDER. But you had your chance to present your side of it before TVA and before it made its selection.

Mr. KING. We have worked for many, many years with TVA. We think our project is little different from the project that has been presented on the Tellico project, in that our project embodies the concept of total resource development with local city, county, and civic organization working hand in hand to accomplish the total objectives.

Senator ELLENDER. You know, I happen to serve as chairman of the Public Works Subcommittee of the Appropriations Committee, and whereas I would love to put all projects in, but because of budgetary limitations we have to select some and leave other out for the future.

Mr. KING. I can well understand the limitations this body is faced with from time to time.

Senator ELLENDER. Well, these projects will cost about \$81 million.

Mr. KING. Combined they would cost \$39 million and \$42 million.

Senator ELLENDER. That is all.

STATEMENT OF WILLIAM A. SMITH, PRESIDENT, ELK RIVER DEVELOPMENT ASSOCIATION

SUPPORT OF TIMS FORD PROJECT

Senator HILL. Mr. Smith.

Mr. SMITH. Thank you, Senator Hill.

Senator Ellender, Senator Bass, Congressman Duncan, and distinguished guests, I might say this: I am just a country boy from Limestone County, Ala., born out there at Carters Mill, and I am in a little bit different surroundings than I have ever encountered in my life. And I can say how happy it is to be here, and mean it with all sincerity, because I would not put in my time over and above a full 40 hours a week if I did not believe in the project. And I do, and I am proud to be here to speak on behalf of this project.

I want to thank you for this opportunity to speak in behalf of the citizens of Alabama and Tennessee whom I have the honor and privilege to serve as president of the Elk River Development Association. I am a native of the Elk River Valley; born in Limestone County, Ala., married a Lincoln County, Tenn., girl, have been a resident of Franklin County the past 13 years, and presently employed in supervision of maintenance, at the Rocket Test Facility, AEDC, near Tullahoma, Tenn. It is a pleasure and a challenge to be associated with such a group of citizens who devote hours of personal time and money above and beyond that required for their means of livelihood and family necessity to do the most we can with the resources we have to make our valley a pleasant and productive place for our people to live."

In the interest of this objective, we come today to urge your support and favorable action on the Tims Ford project in concurrence with the House of Representatives and upon recommendation of the Tennessee Valley Authority. This request does not come from a hastily contrived organization, which seeks to use this project as a spring-

board to initiate a possible program of work but rather the delegation who appears here today at their own expense representing local governments, chambers of commerce, banks, civic clubs, news media and many other organizations from several counties bring testimony which attests to the fact of an organizational structure geared to utilize the Tims Ford project in a total resource development program which has been underway for many years.

Mr. Chairman, I wish to briefly supplement the testimony of Commissioner King, chairman of the Tennessee Elk River Development Agency, and on our readiness to proceed with the TVA as indicated in their project planning report; and to highlight some of the activities of this regional effort which transcends city, county, and State lines to show how the benefits of the Tims Ford project by local participation will become an integral part of our program. Since the inception of the Office of Tributary Area Development by the TVA, we have received their technical assistance and our scope of activities in cooperation with them have established a most harmonious working relationship. While engineering and feasibility studies for a comprehensive water control system in the Elk River watershed have been underway by TVA, we have been trying to get ready at the local level to insure capturing the potential benefits of these dams and reservoirs when they come. Upon the premise that help comes to those who help themselves, we are utilizing our own potential while taking advantage of all opportunities presented by Federal legislation requiring local participation. I can assure you today that based on our experience under this concept we are ready for Tims Ford.

WATER SUPPLY AND FLOOD CONTROL

We need Tims Ford for agricultural water supply and control of downstream flooding of farmland as well as flood control at Fayetteville, Tenn., and the TVA regional system.

Filed with the committee are letters and statements from four nurseries in Franklin County alone that want this water in the nursery business.

While we need this water in our agricultural program, this aspect of the Tims Ford project, I want to tell you that we also need to reach our goal of doubling our farmers' income by improved uses of fertilizer, farm management, and all of those things.

We have made great progress in this program in cooperation with the TVA and extension services of both Alabama and Tennessee land-grant colleges. Our forestry work group in cooperation with the TVA and other forestry agencies have an active program of pace-setter demonstrations, and the location of a pilot demonstration forest in cooperation with Hiwassee Land Co. to urge our farmers to put their unused hills and hollows to work.

We need Tims Ford for adequate water supply for municipal use and for industrial shoreline development. TVA in cooperation with our business and industry work group has selected, helped get under control and mapped industrial sites in towns of the watershed. We are a member of the team for industrial development and the stage is set for using Tims Ford shorelines. We need Tims Ford for the 40,000 kilowatts of dependable capacity with peaking potential of electrical energy for this expanding development and also for this

region of our Nation's space research laboratories. Tims Ford Dam by regulating flow will aid navigation downriver to move our minerals as they are put to work in our economy.

We need Tim's Ford Reservoir to significantly increase the recreation potential of the area through providing the opportunity for all phases of water-based recreation; improve the wildlife and fish habitats; and make this area a tourist destination point to enhance the fast-growing recreation industry. But we have been busy while waiting for this. Our recreation work group, with TVA, have made tourism surveys, promoted establishment of city and country recreation commissions, the building of parks and recreation centers.

Senator Ellender, I may say this: In Franklin County we have two cities where a group of citizens operating as a club put up a third of the money. The city government puts up another third. The quarterly court puts up a third. This is helping those that help themselves. This is just a part of what our group has been trying to do.

SURVEY OF TOURIST AND RECREATION POTENTIAL

With four of our counties in Appalachia we have sponsored with others a survey of tourist and recreation potential of the Cumberland Plateau from Kentucky through Tennessee and Alabama to Georgia. This survey by the Bureau of Outdoor Recreation, financed by ARA, is completed with the report and recommendations expected shortly. An implementing organization and highway construction or improvements will put the report to work.

Mr. Chairman, I could go on and on with mention of our work for better local government, beautification of our cities and downtown areas, and so forth, but I must emphasize, in conclusion, that the key element in this effort is people, and it is for them we exist. Programs in health and education to mobilize our human resources in step with that of natural resources is imperative. Political leaders and elder statesmen of Tennessee say the cooperation of cities, counties, and citizens for the establishment of a junior college in our area is the most outstanding they have ever seen. The same is true in our administration of the Economic Opportunity Act. This is another service that the agency and association, in cooperation with these counties, is trying to provide.

A program of on-job training and literacy education for the hard-core unemployed is getting underway in cooperation with Austin Peay State College and the Department of Labor. These efforts supplement literacy programs and school dropout work previously in operation. Neither, Mr. Chairman, are we unmindful of our children and their future. We provide for junior membership in our association with periodic information and educational visits to our schools. How do they feel and react to the ERDA program? Two brief examples are typical and will suffice for answer. I quote from our latest edition of ERDA News. This is an effort to keep our people informed of our efforts. It has been one of the greatest means of insuring cooperation of everyone concerned. I want to quote from that:

Boy Scouts of Belvidere in Franklin County planted 6,000 pines on the farm of Mr. H. G. Leichty, earning money for their troop treasury. Their Scoutmaster is Mr. Max Westbrook.

And,

What is your youth's reaction to ERDA? A Lynchburg High School student answers, "I think the ERDA idea is a very good one. I would like to come back and live in this area after I finish school, but I sometimes have wondered if I could find a good paying job around here 5 or 6 years from now. I think the ERDA is increasing my hopes and chances of doing so."

Perhaps if we would project ourselves into the future and look back we might capture the thought of a student in his own words who presented the winning speech in a Dale Carnegie class at Fayetteville. I quote:

The time: 1980. The scene: Fayetteville and Lincoln County. Just 4 years ago the last dam was completed on the Elk River. I can see the Reynolds Aluminum plant down the river and the Minneapolis-Honeywell plant up the river from Fayetteville. There are now two new bridges over the Elk. I can see fishing boats in the distance. We now have irrigation, navigation, and recreation. Fayetteville now has a population of 30,000. The young people no longer have to leave home to find good jobs. The graduates of the 1965 Dale Carnegie class have prospered. A dream? Yes. But a dream which may well come true if we will get behind the people who are working for the development of Elk River.

The Tims Ford project is the first unit of this dream. The people are ready. The TVA is ready. Tims Ford is in the national interest. I urge your support and concurrence with the House on this great project to reaffirm the faith of the people upon the principle that our Federal Government is willing to "Help Those Who Help Themselves."

Thank you.

Senator HILL. Mr. Smith, do you have a list of the delegation?

Senator GORE. I have a list I would like to submit.

(The list requested follows:)

DELEGATES TO WASHINGTON, JULY 16, 1965, TO APPEAR BEFORE THE SENATE APPROPRIATIONS SUBCOMMITTEE IN SUPPORT OF THE TIMS FORD DAM ON THE ELK RIVER

Coffee County:

Ray Bengston, Coffee County.

Charlie Folk, Tullahoma.

A. H. Sanders, Tullahoma.

Foy Stamps, Tullahoma.

Franklin County:

Judge C. O. Prince, county judge.

Billy Mason, Franklin County.

Clinton Swafford, mayor, Winchester.

W. A. Smith, president, ERDA.

Roy Tipps, Franklin County past president, ERDA.

Giles County:

Dr. S. A. Garner, mayor, Pulaski.

Dr. Wayne Harris, Pulaski, Tenn.

Bedford County:

Mayor William D. Copeland, Shelbyville.

Theron Bracy, UDRDA, president.

Limestone County:

Beasley Thompson, editor, Limestone Democrat.

Frank Turner, vice president, ERDA.

Frank Simmons, president, Athens-Limestone Chamber of Commerce.

Lincoln County:

Judge David Sloan, Lincoln County.

Aaron Jennings, Sr., vice chairman, Tennessee Elk Agency.

Ralph Mitchell, executive secretary, Tennessee Elk Agency.

Marshall County :

Mark Whittaker, agency director.
 Donald R. King, chairman, Elk Agency.
 Edward "Bay" Roberts, Lewisburg.
 Judge Jas. R. Patterson, Marshall County.
 Doug Rodgers, mayor, Chappel Hill.

Madison County : Don Johnson, Huntsville Chamber of Commerce.

Grundy County : D. J. Campbell, ERDA director.

Moore County :

Marion Holt, Moore County Chamber of Commerce.
 Dan Masters, city of Lynchburg.

LOCAL SUPPORT FOR TIMS FORD PROJECT

Senator GORE. Mr. Chairman, could I ask a question?

I would like to submit the same question to you. What percentage of the people in this tricounty area would you think would be in support of the Tims Ford project?

Mr. SMITH. Ninety to ninety-five percent in support of the Tims Ford project. We have no organization on record opposing the Tims Ford project. We have an organization of a few landowners organized specifically for the purpose of opposing. But they represent, I would say, less than 10 percent of the area.

Senator ELLENDER. Where does the supply of water come from to fill Lake Wood?

Mr. SMITH. From the Cumberland Plateau, back toward Grundy County, and the upper end of Coffee County.

Senator ELLENDER. That is the source of this river.

Mr. SMITH. Yes, sir. The location of this project is just below the Woods Reservoir.

Senator ELLENDER. Thank you.

Senator GORE. Mr. Chairman, you can see, I am sure, with your experience, as Senator Ellender can, why Senator Bass and I were sorely disappointed when the Bureau of the Budget would approve only one project.

Maybe I better speak for myself.

Senator BASS. Speak for both of us.

Senator ELLENDER. You are a brave man. [Laughter.]

Senator GORE. I might note he has to run before I do. [Laughter.]

Senator BASS. He has more time to make it back in than I have. [Laughter.]

Senator GORE. You can see why we were so sorely disappointed when the Bureau of the Budget would approve only one—why we were happy when the TVA was requesting both.

Now I will speak purely for myself.

Representing not one congressional district, but nine, I have no place to repair except to the recommendations of the TVA which I have supported without failure for the 27 years I have been in the Congress. I have felt that the management of this integrated utility, the largest in the world, was the function of the TVA Board of Directors; that the location of dams and steamplants, et cetera, was the function of the engineers. Not in the years that I have fought battles for TVA, in House and Senate, have I asked them to give a job to anyone. Not one time have I asked them to locate a steamplant or a dam for my political convenience or personal desire.

It may be that I have submitted too readily to the recommendations of the TVA. But this was the promise I made as the first plank in every platform on which I have sought election in Tennessee. So in taking this position, at least I am consistent—whatever virtue there is in this.

If I may again advert to the parliamentary situation, if both bills contain Tims Ford and only the Senate bill contains Tellico, Tims Ford is then assured and the House conferees might have at us about Tellico.

Senator HILL. The Senator is exactly right.

Senator GORE. So that is why I suggest that since one has been placed in the House bill, that the Senate place the other in the Senate bill, and it is my earnest hope that in the end we will find enough to start both of these worthwhile projects.

Now, you have been very kind to give the supporters of these two projects some time. I understand there is opposition. I have tried, with the consent of my constituents in support of these projects, to stay within the hour.

STATEMENT BY H. G. GANGWER, SR., MEMBER, BOARD OF DIRECTORS, TENNESSEE VALLEY PUBLIC POWER ASSOCIATION

There are two more gentlemen—one of the gentlemen has agreed to submit his statement for the record—Mr. H. G. Gangwer of Madisonville, Tenn., of the Tennessee Valley Public Power Association. With your consent he would like to submit his statement.

Senator HILL. We would be very happy to have it.

(The statement follows:)

Mr. Chairman and members of the committee, my name is H. G. Gangwer, Sr. I am appearing here today as a member of the board of directors of the Tennessee Valley Public Power Association, and organization representing the 158 municipalities and rural electric cooperatives which are distributors of power produced by the Tennessee Valley Authority. I am also manager of the Fort Loudoun Electric Cooperative, Madisonville, Tenn., which is in the immediate area to be affected by the proposed Tellico Dam and Reservoir on the Little Tennessee River.

Both in my capacity with the TVPPA and the cooperative which I manage, I am particularly interested in the Tellico Dam and Reservoir, because this project would be of benefit to my cooperative and to the entire Tennessee Valley. I therefore want to ask your subcommittee to restore the funds deleted in the House to start construction of the Tellico Dam and Reservoir.

The members of the Tennessee Valley Public Power Association have had a long interest in the Tellico project, which has been known in the past as the Fort Loudoun extension, since it would not have its own powerplant, but would increase substantially the power output at the existing Fort Loudoun Dam.

I am sure you are aware that this project has been under study for many years by TVA. Funds actually were appropriated by Congress for the 1943 fiscal year to start construction of the project, but the War Production Board did not approve the use of critical materials at that time.

It is difficult for me to understand why the House Appropriations Committee chose to delete this longstanding project from the current public works appropriations bill. The committee's report merely states that "in the light of the extensive opposition to the project" it should be deferred for further study. While there is a normal amount of opposition from landowners who would be flooded out, I am not aware of any undue degree of local opposition, and so far as I know there is nothing about the Tellico project that is offensive to the people of the three counties which would be directly affected—Blount, Loudon, and Monroe. On the contrary, there is a tremendous amount of local support for this project, and as a resident of the area I can testify to this. One of the

reasons for this widespread support is the fact that the economy of this area is lagging behind the rest of the State and the Nation in both income and industrial employment. There is only one substantial industry in the entire three-county area, the Aluminum Co. of America.

Because the area has few job opportunities, there has been a steady outflow of younger wage earners, who have to go elsewhere to find employment. During the 10 years ending in 1960, there was an outmigration of 15,523 people from the tricounty area. At present, per capita income in the three counties is only \$1,573, on the average, compared to the Tennessee State average of \$1,693 and a U.S. average of \$2,368.

The Tellico project can bring a stronger economy to the area, both by providing more low-cost power and through creation of a new waterway for commerce. The Tellico Reservoir is expected to provide shoreline sites which would be suitable for major industrial development, and, as we have seen elsewhere in the Tennessee Valley, the new reservoir will bring a new tourist industry. The Tellico project also would more than double the flood control storage capacity at this point on the Tennessee River system.

TVA expects direct transportation benefits from the new waterway to amount to \$11.4 million, flood control benefits to total \$10.4 million and power benefits to reach \$8 million. When Tellico is in operation, water from the Little Tennessee will pass through a canal and into Fort Loudoun Reservoir, through Fort Loudoun turbines, to generate 200 million kilowatt-hours of electric energy annually in addition to that now produced at Fort Loudoun. This is more than half the yearly output of Norris Dam.

The members of the Tennessee Valley Public Power Association depend entirely upon the Tennessee Valley Authority for their bulk power supply. Low-cost TVA power has made possible the industrial growth of the valley, and the communities which our members serve.

Prudent management and farsighted planning have characterized TVA's power operations since the agency was created, and the distribution systems which I represent have been able to count on an adequate supply of low-cost power to supply their needs.

I would like to point out that because of the combination of TVA generation and transmission and consumer-owned distribution of electricity in the Tennessee Valley, consumers of the region use more electricity than those in any other area except the Pacific Northwest. There are more than 400,000 all-electric homes in the valley using TVA power to serve all of their fuel needs—including house heating.

TVA recently published a booklet called TVA's Influence on Electric Rates, showing that millions of electricity users throughout the Nation are enjoying lower electric rates because of the influence of TVA and the other Federal multiple-purpose projects.

Thus, continuation of the orderly growth of TVA's power system is important not only to consumers in the Tennessee Valley, but to consumers everywhere in the country.

The Tellico project is economically feasible, with a benefits-to-cost ratio of 1.4 to 1. It offers a wide variety of benefits to the people of the valley. It can have an impact upon one of the "pockets of poverty" in the Appalachian region. The electric consumers, who will pay for the power facilities involved in the Tellico project through their electric bills, can be expected to use the entire output as soon as it is available. There is every reason to believe that new and expanded industry will result from the creation of new industrial sites and new power supply.

The Tennessee Valley Public Power Association, through the close association and day-to-day working relationships of its members with the TVA Board of Directors and staff, has gained a high regard for TVA's technical competence and its judgment in scheduling projects in a way that will contribute the most to the comprehensive and orderly development of the water resources of the Tennessee Valley. TVA, in fact, has gained a worldwide reputation for the ability of its staff. The recommendations of the TVA Board, supported by the Bureau of the Budget, therefore give considerable weight to the desirability of proceeding in the manner recommended by the TVA.

For the above reasons, the members of the Tennessee Valley Public Power Association, serving about a million and a half families with electricity, urge you to restore to TVA's appropriations the \$5,775,000 asked by the President to start construction of the Tellico Dam.

Thank you.

**STATEMENT OF WILLIAM TOWERS, PRESIDENT, TENNESSEE RURAL
ELECTRIC COOPERATIVE ASSOCIATION****SUPPORT OF TIMS FORD PROJECT**

Senator GORE. There is 2 minutes remaining, with Mr. William D. Towers of Rogersville, Tenn., president of the Tennessee Rural Electric Association, to testify.

Mr. TOWERS. Mr. Chairman, distinguished Senators, ladies and gentlemen, I know I do not have much time, so I will just be brief.

I am president of the Tennessee Rural Electric Cooperative Association, representing 22 rural electric cooperatives in the State of Tennessee.

We have fully endorsed the Tellico project, and we would like to recommend that this project be completed. The Tellico project—TVA actually last year sold 4 billion kilowatt-hours of electricity to these 22 electric cooperatives in the State, at an average cost of 4.56 mills per kilowatt-hour.

This project, the Tellico project, of course would only produce 200 million kilowatt-hours for the year, but that would be a sizable increase to the TVA system as far as the rural electric cooperatives are concerned. This could be done by merely using the water that would be impounded by the Tellico Dam through the Fort Loudon powerhouse.

The Tellico project has obvious merit. It has been proposed by the TVA staff, a group of able and dedicated public servants which over the years has built up a reputation for careful planning and efficient management.

Almost every day foreign visitors are sent down to the TVA area to look around and see what a marvelous job has been accomplished there in the rural electric cooperatives.

The members of Tennessee Rural Electric Cooperatives were shocked, therefore, to hear that the House Appropriations Committee had disallowed the budget request that the President had asked for, \$5,775,000 to initiate construction on the Tellico Dam.

The Tennessee Rural Electric Cooperatives Board of Directors feels that further study on this project would be a waste of time, since it would simply put off the decision that has to be made, and putting it off does not make the decision any easier. And of course at a later date it would be a higher cost than you could do it for at this time.

Gentlemen, the feasibility or the cost-benefit ratio has been worked out by the TVA and their staff, and it is a ratio of 1.4 to 1, I understand, and therefore we would like to recommend this project, and we need the power now. Thank you very much.

(The prepared statement of Willian Towers follows:)

Mr. Chairman, I am appearing here today on behalf of the members of the 22 rural electric cooperatives in the State of Tennessee, all of which purchase electricity at wholesale from the Tennessee Valley Authority. TVA sold over 4 billion kilowatt-hours of electricity to cooperatives in Tennessee in 1964 at an average wholesale cost per kilowatt-hour to the cooperatives of 4.56 mills.

Because low-cost power is available to the farms of our State, the average annual use of electricity in rural homes was 8,000 kilowatt-hours last year, compared to the national average of 4,700 kilowatt-hours for farm homes. Thus, the rural people of Tennessee are deriving a direct benefit, in terms of a higher standard of living, from the TVA. We hope that the Authority will continue to grow in an orderly way and to supply the power needs of the valley as efficiently in the future as it has in the past.

In order to do this, TVA must develop fully the power resources of the valley, including the hydroelectric resources. It was for this purpose that the President requested, in his budget, the sum of \$5,775,000 to begin work on a large new multipurpose dam and reservoir—the Tellico project in eastern Tennessee, near Lenoir City. The estimated total cost of Tellico is \$42.5 million. It would create a reservoir extending 33 miles up the Little Tennessee River to Chilhowee Dam, providing important benefits from flood control, navigation, and power. At the same time, it would create useful shoreline sites for industrial and recreation developments.

Tellico itself will have no powerhouse, yet it will make an important contribution to TVA's power supply. A short canal connecting the new dam with Fort Loudoun Lake will not only permit barge navigation on the Little Tennessee, but will make possible the diversion of water from the Little Tennessee to increase power production at Fort Loudoun Dam. The project also will more than double the present flood control storage provided by Fort Loudoun.

The Tellico project has obvious merit. It has been proposed by the TVA staff, a group of able and dedicated public servants which over the years has built up a reputation for careful planning and efficient management.

The members of Tennessee's rural electric cooperatives were shocked, therefore, to learn that the House Appropriations Committee had disallowed the budget request to begin construction of Tellico.

The Tennessee Rural Electric Cooperative Association urges the committee to reverse this action by the House and to approve the President's request for \$5,775,000 to initiate construction of Tellico Dam. The "further study" recommended in the House report could not be expected to have any effect on local opposition to the dam, which is based upon the natural reluctance of some landowners to part with their land. This is a factor in construction of any dam, on any river, and has to be weighed against the benefits to a far larger number of people. Restudy simply puts off the decision; it does not make it any easier.

It should be pointed out that Tellico has been under study for many years. In fact, TVA requested funds for the project for the 1943 fiscal year and Congress appropriated money for a start of construction. Because of a shortage of critical material during the war years, however, construction did not get underway. It has been under study ever since, however, and the need for further study does not seem to be justified at the present time.

Tellico Dam will add about 200 million kilowatt-hours to the TVA supply at Fort Loudoun powerplant if the dam is built. This is more than half the yearly output of Norris Dam, and it is a significant addition to the region's power supply. The 22 rural electric cooperatives which are entirely dependent upon TVA for their power supply strongly urge your committee to authorize the appropriation of funds to start construction this year on this important project. The economic feasibility of the project has been demonstrated by TVA, with power benefits estimated at \$8 million. The cost-benefit ratio of the project is 1.4 to 1. The power is needed now.

Senator HILL. We thank you, Mr. Towers.

Mr. TOWERS. Thank you, Mr. Chairman.

Senator HILL. Any others?

Senator GORE. Well, our hour is up. There are many more. But our hour is up and we thank you, sir.

Are there others who would like to testify? I believe we are satisfied.

Mr. TOWERS. Thank you, sir.

Senator HILL. Thank you.

STATEMENT BY HON. JOHN SPARKMAN, A U.S. SENATOR FROM THE STATE OF ALABAMA

We have a statement on these two projects from Senator Sparkman which will be placed in the record at this point.
(The statement follows:)

My testimony today is in behalf of appropriations for the Tims Ford Dam on the Elk River in southern middle Tennessee and the Tellico Dam on the Little Tennessee River in east Tennessee.

These projects are worthwhile and valuable ones, and I hope that funds will be approved for both.

The Tims Ford Dam has strong support from the communities to be served by the project. Although the project is located in Tennessee, the Elk River flows through Alabama to the Tennessee River and Alabamians are greatly interested in the construction of this project which the Tennessee Valley Authority has recommended to the Bureau of the Budget and the Congress.

It is clear that there is a need for navigation channels in the Elk River Basin, and the Tims Ford Dam would be a start toward achieving this goal. I would like to point out that the George C. Marshall Space Flight Center and Redstone Arsenal at Huntsville, Ala., and the Arnold Engineering and Development Center near Tullahoma, Tenn., would potentially benefit from the development of navigation channels on the Elk River. Further, the dam would make available power which is needed by these vital defense installations.

The Tims Ford Dam would serve as an inducement for industrial development for the surrounding area by providing needed hydroelectric power as well as needed industrial water sites and commercial sites.

It should be mentioned that a total of 47 floods have occurred in the Fayetteville area within the past 40 years. The construction of the Tims Ford Dam would help solve this problem and would strengthen the entire TVA flood control system.

Turning to the Tellico Dam, which will be located near Lenoir City, Tenn., this project would provide significant flood control, navigation and power benefits. In addition, it would create useful shoreline sites for industrial and recreational development. In the future, the sale of shorelands purchased for the project would help pay for the cost of building it.

The construction of a short canal connecting Tellico Dam with Fort Loudoun Lake will permit barge navigation up the Little Tennessee. Further, this canal will allow TVA to divert water from that river to increase power production at Fort Loudoun Dam. This will greatly increase, in fact it will more than double, the present flood storage facilities at Fort Loudoun.

In conclusion, let me urge your favorable consideration of these needed and valuable projects.

STATEMENT OF FRED J. MOSES, JR., DIRECTOR, PRESERVATION OF THE LITTLE TENNESSEE RIVER

OPPOSITION TO TELlico PROJECT

Senator HILL. Mr. J. M. Lackey and Mr. Fred J. Moses, Jr. I believe you wanted to testify. All right, sir.

Mr. MOSES. Mr. Chairman, Senator Hill, and gentlemen of the committee, I am Fred Moses, Jr., one of the directors of the Association for the Preservation of the Little Tennessee River. I would like to point out to the committee that here with us today are representatives from the National Park Association, the Wilderness Society, Trout Unlimited—

Senator HILL. Trout Unlimited?

Mr. MOSES. Yes, sir.

Senator HILL. Is there any such thing as Trout Unlimited?

Mr. MOSES. It is an association, sir, called Trout Unlimited, like Ducks Unlimited.

This is a conservation organization—the National Wildlife Federation, the Nature Conservatory, the Izaak Walton League, a representative of the American Farm Bureau, and a representative of the American Pulpwood Association.

Now, that is an imposing list, and we have some witnesses of our own from down in Tennessee. I realize that you cannot hear them all, but I would like permission from the chairman to allow those

people whose names I have called to file their statements with the committee in the event that they do not get heard.

Senator HILL. All right, we will be glad to have them file their statements.

Mr. MOSES. Thank you, sir.

My colleague, Mr. Ray Jenkins from Knoxville told you right when he said that he had changed his mind on this thing. He has a farm that lies on the site where the dam will be built, and he says that he is going to make the big sacrifice for people. But I am not so sure, knowing Ray, that he is going to make any sacrifice at all.

Be that as it may, in 1942, gentlemen, the War Production Board turned down this Tellico Dam project, and they said because it was not necessary to the war effort and would not produce enough of whatever dams are supposed to produce.

FEASIBILITY OF PROJECT

In 1962, General Vogel, who was then the chairman of the TVA board, spoke about the Tellico Dam project, and he said that the project was not economically feasible on the cost-ratio basis, and that if the people of Tennessee wanted it, they were going to have to have county and State financing.

The only thing that has changed since 1962 today, in 1965, has been the chairman of the board; and the new chairman says that the project is feasible. The reason he says that, Senator, is because he has injected a new element into it, and that is the element of industrial development.

Now, mind you, the chairman is on record as saying that as far as power production and as far as flood control are concerned, this dam is inconsequential. Those are only his words. He says they are just incidental.

Senator HILL. May I interrupt you to say that that is not what he told us in this very room this morning.

Mr. MOSES. Well, that is what his own record states.

Now then, he says that the only lacking element in here is the navigation problem, so that they can get produce in and out of this mountain upland area that is hundreds and hundreds of miles from the Gulf of Mexico.

Now, then, Melton Hill Dam, the dam that was completed in 1962 and is less than 15 miles from this dam, they allotted over 40 percent of the cost of that dam to the industrial development angle and to the navigational angle, and they set aside and bought over a thousand acres of land, nice level land in the industrial complex there around Clinton, Tenn., and there are no takers for that. There may be in the future some takers for it, but at present there are no takers.

Between Knoxville and Chattanooga, every town down that 200 miles of river there has a chamber of commerce and has a group for industrial development. In the State of Tennessee, on TVA navigable waters, sir, there are 72,000 acres set aside and available for industrial development.

SURVEY OF ECONOMIC POSSIBILITIES OF KNOX COUNTY

Now then, back in 1962, the city of Knoxville got a hold of \$180,000 worth of Government funds, and they spent that money to have a

survey made of the economic possibilities of Knox County. They hired a firm out of Washington and paid them to make this survey. That report was made by the Hammer Associates.

I would like to point out to you some quotes from the Hammer report. It says:

Only minor use has been made of the Tennessee River system for transportation purposes in Knox County up to the present time. Nothing significant in the way of local industry has developed, based on water shipments, either inbound or outbound. Generally speaking, Knoxville has offered no competitive cost advantage with its river location.

This is all quoting from the Hammer report.

In the broad view, it now appears that the river is not likely to become a major factor in Knox County's economic development in the future as it relates to transportation.

WATER TRANSPORTATION AND POLLUTION

Gentlemen, the Hammer report points out rather emphatically the minor contributions made by the water transportation into Knoxville. Now, these same things hold true of this Tellico Dam area that we are talking about.

Gentlemen, I would like to point out to you that since this dam was proposed by TVA this year, the House has appropriated \$100,000 to study the pollution problem of Fort Loudoun Lake when it will be intermingled and interchanged with this new lake.

I would ask this committee to wait until that report is in before anything is done about this.

DEPARTMENT OF THE INTERIOR STUDY OF AREA

Now, the Department of the Interior has been asked to make a study of the Little Tennessee River as it might apply to a wild river. They are making that report now. I ask this committee to let that report come forward and get the advantage of that report before restoring any appropriations.

Now, there are two interdepartmental Government agencies now designated to study the area. Gentlemen, TVA has a land acquisition program on. They intend to flood 10,000 acres of this land in order to get 5,000 acres of it, in order to try to promote industrial development. There will be no level industrial land, because the level industrial land will be covered up by the lake. If there was any crying need or if the Tennessee Valley had any reputation for industrial development and there was any crying need for industrial land, I would not be here today asking you this question.

Now then, there must be more trout fishermen, according to Ray Jenkins, in Tennessee than there are citizens. Because he says that the only people opposing this matter are trout fishermen or land-owners.

GROUPS IN OPPOSITION TO PROJECT

Gentlemen, the Tennessee Conservation League, composed of 93 clubs and over 20,000 in membership, has asked you not to appropriate this money for Tellico Dam. The Association for the Preservation of the Little Tennessee River, which I represent, has 1,100 paying members, and they all ask you not to build this dam. The National Park Association, the Wilderness Society, the National Wildlife

Federation, the Izaak Walton League, Knox County Young Republican Clubs, the Chamber of Commerce of Athens, Tenn., the Chamber of Commerce of Knoxville, Tenn. and on down the line, ask you not to spend the Government's money on this dam, because there is no economic need for it.

Gentleman, within a 20-mile radius of this damsite, there are 18 now existing dams. We only have 35 miles of free, open, beautiful clear water left. Please leave it with us.

And now, gentlemen, I take pleasure in introducing our next witness.

Senator ELLENDER. To what extent would this control floods in that area?

Mr. MOSES. TVA say themselves that it would be meager if any.

Sir, there are seven other dams on this river. There is no flood control problem whatsoever.

Senator ELLENDER. Upstream?

Mr. MOSES. Upstream, there are seven more dams.

Senator ELLENDER. From where this is?

Mr. MOSES. Yes, sir. This is the last 35 miles of the tail end of the stream.

Senator ELLENDER. I was looking at the map a while ago, this brochure [indicating], and it looks as though most of the area is covered with lakes.

Mr. MOSES. That is right. There are 19 lakes within a 20-mile radius there.

Sir, if there are no further questions, I would like to present Mr. John Lackey, the president of the Association for the Preservation of the Little Tennessee River. Mr. Lackey, come around.

Senator HILL. All right, Mr. Lackey.

STATEMENT BY J. M. LACKEY, PRESIDENT, ASSOCIATION FOR PRESERVATION OF LITTLE TENNESSEE RIVER

OPPOSITION TO TELlico PROJECT

Mr. LACKEY. Mr. Chairman, gentlemen, my name is J. M. Lackey, and I am a farmer out of Little Tennessee River Basin.

Senator HILL. What do you raise most, Mr. Lackey, if I may ask?

Mr. LACKEY. I am a diversified farmer, sir. I have cattle, and small grain and small tobacco, what we are allotted, a little over an acre of tobacco.

Senator ELLENDER. How many acres do you own there?

Mr. LACKEY. Approximately 265 acres, sir.

Senator ELLENDER. How much of that acreage would be affected by this dam, or this reservoir?

Mr. LACKEY. From what I understand, sir, on my larger farm it would cut me in two. But the rest of its goes inside of the industrial area.

Senator ELLENDER. How much is your land worth?

Mr. LACKEY. Well, I have my life savings in it, sir. Right now, I have a little over \$400 an acre in all of it, myself, and not counting the work that I have put into it. And I do have one of the nicest farms in the area, because I have done lots of hard work on it.

But as far as the value is concerned, I don't want to sell it. I would like to live there the rest of my life.

As I say, I was fortunate, I guess you would call it fortunate, being elected president of this Association for the Preservation of the Little Tennessee River; and if possible, we would like to change the name of this organization to the Association for the Development of the Little Tennessee River.

At one of my meetings, the only meeting I had with Mr. Wagner, I asked him if he had ever considered the development of the river in its present stage, and I didn't get an answer.

Senator ELLENDER. Now, are you on the river?

Mr. LACKEY. No, sir. I am on one of the tributaries that backs up.

Senator ELLENDER. How far are you from the proposed dam?

Mr. LACKEY. About a mile. Oh, no, not the dam, sir. I am about 20 miles from the dam.

Senator ELLENDER. Well, how far are you from the river itself?

Mr. LACKEY. Well, I am off of Tellico River, which is backed up. From where I live to where the Tellico runs into the big river is about a mile.

Senator ELLENDER. And part of your farm would be used for the reservoir?

Mr. LACKEY. Yes, sir. And the rest of it is in the inside of the industrial area.

But, gentlemen, I don't know how you would feel, but I am sure you would feel the same way we feel. Since 1942, as you well know, this project was set up, and this has been an off-and-on project continuously. Every 2 years we see in the paper in Knoxville, or we might see some TVA engineers going around, and it has been economically depressing to us. We can't develop our farms like we would like to. And as far as economic value, I would be willing to state that economically, if this thing had never been held over us, our development would be about twice the amount of money that the agricultural section is developing now.

EFFECT OF TELlico DAM ON AGRICULTURE

From Monroe County, particularly, 33.54 percent of the milk coming out of Monroe County goes to the Metropolitan Knoxville area. Building this Tellico Dam would seriously affect agriculture, not only in Monroe County, but Loudon and Blount Counties.

We only have the statistics from the U.S. Bureau of Agriculture that was made up to the date of 1960, from 1955 to 1960, but our agricultural income had increased in those counties 40 percent in those years. And I know on my farm alone I have increased since 1960 double what I was doing before 1960.

We have done it through mechanized farming mostly, and through soil tests and—

Senator ELLENDER. When you say "double," you refer to your income?

Mr. LACKEY. Well, most of my income since I have owned my farm, sir, I have put most of it right back in the farm.

Senator ELLENDER. Is farming your business?

Mr. LACKEY. Farming is my business, yes, sir. That is all I do. Nothing else, sir.

Senator ELLENDER. You are not one of these gentlemen farmers?

MR. LACKEY. I wish I was, sir. You see that thumb? [Indicating.] That was cut off about 4 weeks ago. And I do all my hay baling. I got this finger [indicating] mashed right over there. That's not a gentleman farmer.

But, gentlemen, I don't know whether you realize it or not, but today you can't afford to go out and hire people to do your farming. If you are not able to do it yourself, you are just about out of luck.

Another thing, fortunately I am a pretty good mechanic. If I had to go out and pay for my mechanical work to be done on my farm, I couldn't make a living.

But I am proud of that farm, and one of these days, owing to the population explosion, you gentlemen are going to be proud to see us. And then is when we are going to go to making money. Now, that's a fact. And that is one reason we are asking for this Little Tennessee River Basin to be preserved.

CHEROKEE VILLAGE AND ROSE ISLAND NURSERY

Now, I don't know whether it has been brought up or not, but building that Tellico Dam would also destroy Rose Island, the site of the Cherokee village, and also the site of a forestry nursery. Rose Island nursery is the only industrial forestry nursery in Tennessee, and the second largest in the South, with a capacity of producing 30 million three seedlings per year.

Senator ELLENDER. How far is that nursery from the River?

MR. LACKEY. It is right in the middle of the river; and if the dam is built, there will be approximately 35 feet of water over it, sir.

Senator ELLENDER. How long have you been living in that area?

MR. LACKEY. Me?

Senator ELLENDER. Yes.

MR. LACKEY. Well, gentlemen—

Senator ELLENDER. Don't tell your age. Just tell me how long you have been living there.

MR. LACKEY. I don't mind telling my age. I have been there 33 years, sir.

FLOODING OF LANDS

Senator ELLENDER. How many times have you seen it flooded?

MR. LACKEY. I haven't seen it flooded any since Fontana Dam was built, sir.

Now, let me make this statement clear. My farm is on a tributary of the Tellico River. We have a small amount of flood area on the Tellico River, but it never reaches the big river. Senator, we have no punches to pull. We are trying to state facts.

Senator ELLENDER. The reason I asked, there was \$42.5 million, of which they applied \$11 million to flood control. That was the flood control cost chargeable to that project.

MR. LACKEY. Yes, sir.

Senator ELLENDER. And only \$8 million went for power development, and \$50 million for other benefits.

MR. LACKEY. Yes, sir. Well, we have no flood problem. I have been there 33 years, and before Fontana was built we had quite a few floods.

But as you know, the Aluminum Co. has dams right above us. This dam will back water up to the nearest dam, built by the Aluminum Co. of America.

Senator ELLENDER. I notice here from the map before me that on the river, the Tennessee River and its tributaries, there are very few creeks that don't have a dam of some kind after you get into the main river.

Mr. LACKEY. The only one I know of, sir, Tellico River doesn't have a dam on it.

Senator ELLENDER. How long is it? That may be the reason.

Mr. LACKEY. Well, it comes out of the Cherokee not far east, sir. I would say it is about 18 or 20 miles from the mouth where it runs into the Little Tennessee to the Cherokee National Forest and mountains.

Are you ready for me to go on, sir?

Senator ELLENDER. Yes, sir.

ROSE ISLAND NURSERY

Mr. LACKEY. I was talking about the Rose Island nursery, particularly because at Rose Island are the seed orchards that they have there, where experimental work is done with shortleaf and loblolly and Virginia pines. This wood, gentlemen, is expected ultimately to produce trees that will grow more and better fibers on a given area in the forest throughout the Southeast or the entire region, you might say.

Now, the ability to grow more and better fiber on a given area becomes, as you well know, more vital as the population increases, and as more and more forest land is lost to highways and power and gaslines right-of-ways, and also urban development.

Now, Tellico Dam will displace somewhere in the neighborhood, if you knew—which we haven't been able to find out how much territory they are really going to take—somewhere in the neighborhood of 300 to 500 families. Gentlemen, the physical and economical and emotional hardships that will be suffered by these families, if you knew them like I do, will be tremendous. You will hear statements by the residents, and I wish you had time to visit some of them and talk to them.

The sad economic effect is that land such as that that we have in this valley cannot be replaced anywhere in that entire area, because of the fact that most of it is under water already.

And many of the persons in this Tellico area to be displaced are highly skilled men, efficient in the agricultural field, and are making, you might say, a good living, and are happy with their jobs and the future prospects of farming. But many of these men will become primarily unskilled with the loss of the land in the valley being taken away from them, and will suffer an economic loss in the, you might say, unskilled labor pool in the area.

It is my belief that this would depress the area. That is my opinion. I hope you feel the same way that my group and I do.

As I said before, mechanization on these farms has increased the efficiency of the farmers and allowed production to increase while the

number of farmers has decreased. They are a pretty self-sufficient operation now. But today, the farmer is dependent, not like he used to be, but dependent on suppliers of fertilizers and feeds and seeds and tractor and implement dealers, and so forth. It is not unusual for a farmer, as you well know, to have more in this day and time invested in farm machinery than in the land that he owns.

Gentlemen, my time is short, but the opportunity and talents that we have here we wish to take advantage of. We respectfully request not only the chance to develop this valley—because, my friends, dams can be constructed any time. But once the potential of the natural valley is gone, it is forever destroyed.

Thank you, gentlemen.

Mr. MOSES. Thank you, Mr. Lackey.

Mr. LACKEY. I don't know if Mr. Moses told you, but we would like to have these printed and make them a part of the record.

Senator HILL. We are glad to have them, sir.

(The documents referred to follow :)

ORGANIZATIONS ACTIVELY OPPOSED TO THE TELlico DAM PROJECT

American Forestry Association.
National Audubon Society.
Trout Unlimited.
Tennessee Game and Fish Commission.
Tennessee Conservation League.
Tennessee Outdoor Writers Association.
Tennessee Farm Bureau Federation.
Tennessee Livestock Association.
Southeastern Outdoor Writers Association.
Association for Preservation of the Little Tennessee River.
The Eastern Band of Cherokee Indians.
Fort Loudoun Association.
National Capital Chapter, Trout Unlimited.
Monroe County Farm Bureau.
Monroe County Farmers Cooperative.
Monroe County Livestock Association.
McMinn County Farm Bureau.
Blount County Livestock Association.
Greenback Farmers Cooperative.
Vonore Lions Club.
Chilhowee Rod & Gun Club.
Chattanooga Trout Association.
Highland Sportsman's Club.
Cherokee Sportsman's Conservation Association.
East Tennessee Historical Society, McMinn Chapter.
East Tennessee Duck Hunters Association.
Sweetwater Valley Feeder Pig Association.
Knox County Young Republican Club.
Southern Field & Creel Club.
West Knoxville Sertoma Club.
Knoxville Men's Garden Club.
Knoxville Retriever Club.
Cherokee Rifle & Pistol Club, Inc.
Ossoli Circle, Knoxville.
Middle Tennessee Conservancy Council.
Scout Troop 3057.
Y-Indian Guides.
Appalachian Anglers.
Society of American Foresters, Kentucky-Tennessee Section.
James White Chapter, DAR, Knoxville.
Chamber of Commerce, Athens, Tenn.

McCAMMON MOTOR & EQUIPMENT Co.,
 Maryville, Tenn., May 1, 1965.

ASSOCIATION FOR THE PRESERVATION OF THE LITTLE TENNESSEE,
 (Care of Mr. Claude H. Hammontree),
 Vonore, Tenn.

DEAR SIR: We have completed our study of our past business records and projections and can estimate that we stand to lose \$75,000 to \$100,000 business each year if the Tellico Dam is built. Due to the fine economic condition of the agriculture industry in our trade area and due to the fact that this industry is far above the national average in its development, it will be impossible for us to expand our business into the other parts of our trade area to recover any of this lost business.

However, if I may, I would like to take this opportunity to voice some other reasons why this dam should not be built:

1. It is unconstitutional for the Federal Government to buy and hold lands solely for the speculation on suspected industrial sites.

2. TVA does not pay its fair share of taxes for operation of any local government. Proof of this is the fact that they pay only \$12,000 to Blount County for taxes per year. Yet they have already covered up thousands of acres of rich bottom lands with Fort Loudoun Dam.

3. TVA Directors have stated that the economies of this project do not exist unless they are permitted to speculate on these industrial sites. I invite you on a tour of Fort Loudoun Lake from the dam at Lenoir City to Knoxville so that you may see all of the industries TVA has brought to this area. There are none.

4. TVA claims much for water transportation, but let's face facts. With the advent of piggyback freight service by the railroads and the completion of the Interstate Highway System water transportation with Government subsidy is obsolete. No high value manufactured goods or other commodities are or ever will be moved by water transportation in this Nation.

H. C. McCAMMON,
 Owner.

BOB McCAMMON,
 Sales Manager.

DEAR SENATOR: Sixty percent of the justification for the most recent TVA project, Melton Hill Reservoir, was assigned to navigational benefits—to help the Oak Ridge-Clinton, Tenn., area experience renewed industrial development. The TVA also established the precedent here of purchasing and reserving lands for industrial use. These lands were already identified and available as prime industrial sites and would have developed as such because of the many advantages described in the enclosed material.

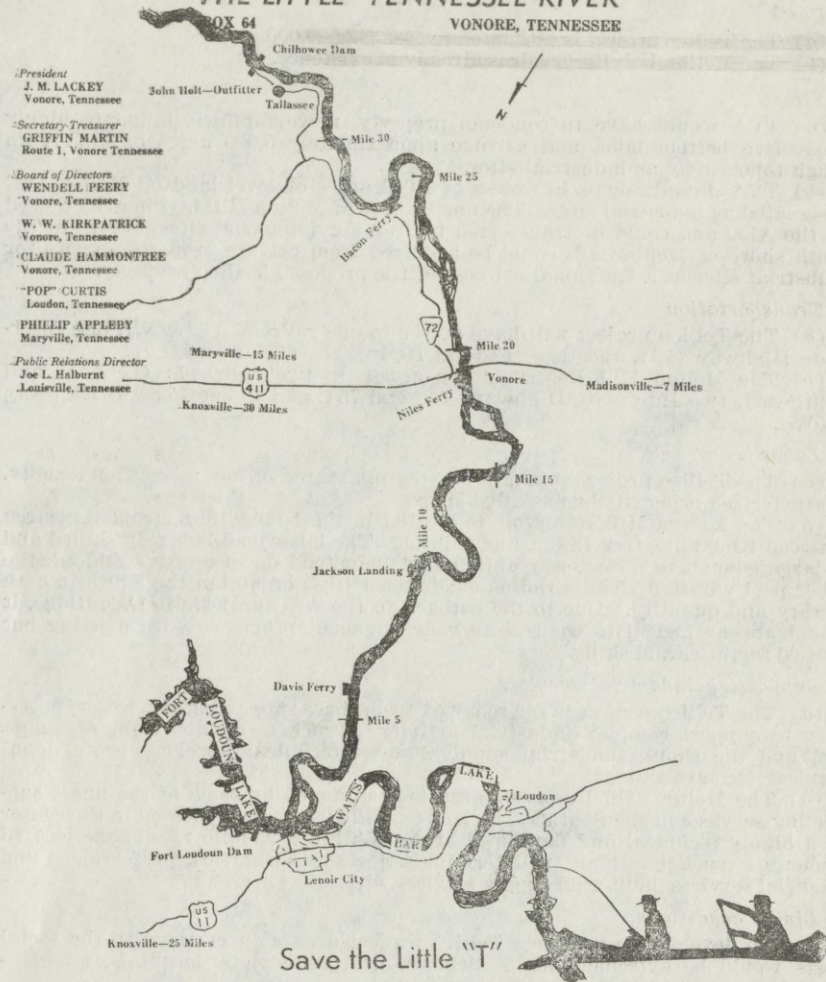
Sufficient time should be allowed to justify and provide a return on the investment of \$38 million in the Melton Hill project before other nearby projects; e.g. Tellico Dam, are authorized to dilute or detract from Melton Hill. Tellico Dam would establish the precedent necessary to accelerate a proliferation of similar TVA projects with each one competing with the more than 20,000 private community industrial development groups in the Nation today. Tellico Dam can always be constructed at some future date if a proven need develops.

ALTERNATE PROPOSAL TO THE CONSTRUCTION OF THE TELlico DAM

TVA officials have stated repeatedly that the prime factor in the construction of the Tellico project is industrial development. The Tellico project by Mr. Wagner's own admission is not predicated upon the creation of electric energy, flood control, or extension of navigation to existing industry.

Although TVA has not consulted with the State agency charged with industrial development or with other regional or local bodies experienced in industrial development, it has independently arrived at the conclusion that the construction of the Tellico project will create 4,500 new industrial jobs within 25 years. Although the method of projection nor the figures fed into the projection formula have never been released or described to any one outside of TVA, industrial economists generally agree that industrial sites on navigable streams may attract

The Association for the Preservation of THE LITTLE TENNESSEE RIVER VONORE, TENNESSEE



industry but only if other conditions are met. Generally, industries that are oriented to water transportation are complex industries requiring many factors other than a navigable stream, particularly when the area in question is at the head of the navigable stream where procurement transfer costs would be maximal in relation to all other alternative sites, as is definitely the case in east Tennessee. The economic feasibility of the site becomes dependent upon a host of interrelated factors.

The point in question is whether the Tellico area possesses the adjunct characteristics that are necessary to transform raw acreage on a navigable stream into a "comprehensive site." One must remember that when firm A elects to build a plant on site X, firm A has served notice to one and all that site X offers the greatest probability of profit maximization among all other possible alternatives. It is then axiomatic that an area competing with other areas for new industry must select and develop its most advantageous industrial sites.

We hereby request that TVA direct its attention to the development of a recently constructed reservoir as an area of infinitely more potential in industrial

development. Listed below are the irrefutable and immutable advantages of the Melton Hill Reservoir in comparison to the proposed Tellico Reservoir.

1. Costs

- (a) The Tellico project is estimated to cost \$42,500,000.
- (b) The Melton Hill Reservoir is already in existence.

2. Sites

(a) TVA would have to condemn property, move families, inundate highly productive bottom land, and salvage approximately 5,000 acres of land with rough topography as industrial sites.

(b) TVA already owns in excess of 1,000 acres of level land on Melton Hill designated as industrial sites. The north shore of Melton Hill is primarily owned by the AEC and could be transferred to TVA for industrial sites. Much of the south shore of Melton Hill could be acquired from private property owners for industrial sites at a fractional net cost of the proposed Tellico property.

3. Transportation

(a) The Tellico project will have access to one railroad (L. & N.), one Interstate Highway (75), and three Federal Highways (11, 70, and 129).

(b) The Melton Hill Reservoir has access to two railroads (L. & N. and Southern), two Interstate Highways (40 and 75), and to one Federal Highway (25W).

4. Labor

(a) The Tellico project would be located in an area of low population density, characterized primarily by unskilled labor.

(b) The Melton Hill Reservoir is located in the Knoxville metropolitan area between Knoxville, Oak Ridge, and Clinton. The labor pool is highly skilled and is large enough to absorb any anticipated industrial development. Indeed, the labor pool within a 25-mile radius of Melton Hill is unique to the South in both quality and quantity. Due to the cutback in the AEC projects in Oak Ridge, it would appear logical to coalesce new development programs with existing but unused facilities and skills.

5. Supporting industrial services

(a) The Tellico project is far removed from those supporting services so necessary to support complex industrial activity. Truck terminals, machine shops, tool and die shops, industrial supply houses, technical libraries, professional services, etc., are all lacking.

(b) The Melton Hill Reservoir area is surrounded by some of the finest supporting services in the South. The Melton Hill Reservoir is located in the center of a highly technical and developed area. Within a 25-mile radius are located numerous truck terminals, rail terminals, technical libraries, professional and financial services, industrial supply services, etc.

6. Living conditions

(a) To develop the proposed Tellico project area as a community the social costs would be extremely high. Schools, utility districts, hospitals, streets—the total gamut would have to be constructed.

(b) The Melton Hill Reservoir is contiguous to developed areas. Social costs would be negligible in comparison to the development of the proposed Tellico project area as a place to live.

ASSOCIATION FOR THE PRESERVATION
OF LITTLE TENNESSEE RIVER,
Vonore, Tenn.

AGRICULTURAL RESOURCES OF THE LITTLE TENNESSEE, PRESENT AND POTENTIAL

Since 1942, when funds for the Tellico Dam were approved by Congress but disallowed by the War Production Board, the Little Tennessee River Valley has existed in a state of continuous uncertainty. Every few years talk of the dam would revive, TVA surveyors would be seen working in the area, and plans for economic improvement would be shelved once again. This blight on the future has caused agriculture to suffer, industry to stay away, development of tourist facilities to lag, and general demoralization of the residents of the area.

Building of Tellico Dam will seriously affect agriculture in the Monroe, Loudon, and Blount County area. U.S. Census of Agriculture states that these three

counties from 1955 to 1960 had a 40-percent increase in farm sales, with sales of farm products in 1960 of \$11,855,546. These three counties produced 33.54 percent of the milk in the Knoxville metropolitan area, and Monroe and Loudon Counties produced 8.66 percent of the milk for the Chattanooga metropolitan area. Annual sales of farm products in the Little Tennessee River Valley exceed \$3 million now, and this can be expected to increase. Attached is a report showing the income potential of the type land found in the valley. It is interesting to note that sale of farm products alone over the next 25 years will exceed \$75 million, and this is based on current prices and productivity.

Building of Tellico Dam will destroy Rose Island, site of the Cherokee Village of Mialaquo and now the site of Hiwassee Land Co.'s forest tree nursery and pine seed orchards. Rose Island Nursery is the only industrial forest tree nursery in Tennessee, and the second largest in the South, with the capacity of producing 30 million tree seedlings per year. Particularly important at Rose Island are the Seed Orchards, where experimental work is being done with short-leaf, loblolly and Virginia pines. This work is expected to ultimately produce trees that will grow more and better fiber on a given area in the forests throughout the entire region. The ability to grow more and better fiber on a given area becomes more vital as the population increases, and more and more forest land is lost to highways, power and gas line rights-of-way, and urban development.

Building of Tellico Dam will displace between 300 and 500 families, and the physical, economic, and emotional hardships that will be suffered by these families could be clearly stated by some of the residents in the valley that have already been displaced twice. A sad economic fact is that land such as that in the valley cannot be replaced in this area, for most of it is either under water from previous dam projects or is threatened by future proposed dams. Many of the persons to be displaced by the Tellico Dam are highly skilled and efficient in the agricultural field, are making a good living, and are happy with their jobs and future prospects. However, many of them will become primarily unskilled labor with the loss of the land in this valley, and will suffer the economic loss attendant with being in the unskilled labor pool. This, rather than stimulating the economy of the area, will serve to depress it.

Mechanization on farms has increased the efficiency of farmers and allowed production to increase while the number of farmers has decreased, but there are factors involved that are often overlooked. Farming 30 years ago was pretty well a self-sufficient operation, but today the farmer is dependent upon suppliers of fertilizers, feeds, chemicals, and many other items, and it is not unusual for a farmer to have more invested in machinery than he does in land. This produces work both directly and indirectly, and the total percentage of the population that is involved in agriculture has not changed as much as some statisticians would have us believe. Many area farm suppliers are going to have their volume of business seriously affected, some to the point of having to go out of business, while others will find it necessary to reduce inventory, equipment and number of employees. The building of Tellico Dam will adversely affect people that do not even live in this region and that have never heard of the Tellico Dam project. Attached are letter to our association from some of the affected businessmen.

With cities reaching out into our countryside, urban areas rapidly expanding, and modern highways wiping out the equivalent of a 50-acre farm with every mile, a conservation program for agriculture becomes more urgent. Much has been said about the fine soil in the Little Tennessee River Valley and its productive capacity, but little mention has been made of another asset that goes with it, that being available water for irrigation. This land, managed with modern scientific know-how and irrigated as necessary, has a productive capacity that is enormous. With our population predicted to double in the next 40 years, productivity such as this will be essential to produce the food and fiber necessary to maintain our standard of living.

Due to the geographic location and physical character of the Little Tennessee River Valley, landowners here have an opportunity to perhaps more than double their income and provide many new jobs with the loss of very little productive land. This opportunity is in the tourist business. There are Indian villages that can be reconstructed, boat landings, picnic areas, campgrounds and motels than can be built to provide facilities for tourists that come to this unique valley. This has not been done because of the ever-present threat of a dam that has hung over the valley, and will not be done as long as it is there, but if the threat is removed the area will be a tourist mecca in less than 10 years. There are few places in this country of ours where you will find as small an area

as this 33-mile stretch of the Little Tennessee River that has such great potential to combine agriculture, industry, and tourism. The opportunity and challenge are here, and we respectfully request only the chance to develop the valley. Dams can be constructed any time, but once done the potential of the natural valley is gone forever.

Respectfully submitted.

L. M. LACKEY,

President, Association for Preservation of the Little Tennessee River.

VONORE, TENN.

ESTIMATES OF ANNUAL AGRICULTURAL INCOME POTENTIAL FOR CLASS I, II, AND III LAND IN THE AREA TO BE INUNDATED BY WATER FROM THE LITTLE TENNESSEE RIVER PROJECT UNDER TVA PROPOSALS

The crops used are commonly grown in the area. One budget is for corn grown continuously on the class I and II soils. The other budgets cover a 3-year rotation of wheat, red clover, and corn on class III soils.

With careful budgeting and conservative estimates we arrive at net returns to land, operator labor, capital other than land, and management as follows:

Class I and II land, corn, \$76.35 per acre.

Class III land in 3-year rotation of wheat, red clover, corn average annual return \$48.22.

Many other crops might be produced at a good profit. Among these are commercial truck crops on class I and II land. On class III land, alfalfa could be grown quite profitably. This crop could be expected to yield a net return of \$54 per acre to land, capital, labor, and management. A conservatively prepared budget indicates this as a possibility.

	Acres class I and II land	Acres class III land	Acres class IV land and other
Monroe County.....	9, 075	7, 525	525
Loudon County.....	3, 500	775	12, 900
Total.....	12, 575	8, 300	13, 425
Net annual return.....	¹ \$76.35	¹ \$48.22	¹ \$12.00
Total.....	\$960, 101	\$400, 226	\$161, 100

¹ Per acre.

Total (\$1,521,427) annual return to land, labor, capital, and management. When one considers the amount of investment which will yield this sum, he can begin to understand what is encompassed in the agricultural potential of the area under consideration. It should be remembered that the agriculture of the valley of the Little Tennessee is now in operation. It is a going operation now.

THE FOREST RESOURCE OF THE LITTLE TENNESSEE

Recent authority releases on the timber growth-harvest analysis of the Little Tennessee River Tributary Area reveal the following inventory of potential forest products:

Board feet of softwoods (pine and cone bearing trees).....	590, 000, 000
Board feet of hardwoods (deciduous, broadleaf trees).....	756, 000, 000
Cords of softwoods.....	2, 221, 000
Cords of hardwoods.....	3, 117, 000

The above inventory of basic forest raw materials is contained on the 500,800 acres of forest land in the counties of Blount, Loudon, and Monroe.

On the average, each acre of forest land contains:

1,200 board feet of softwood sawtimber, at \$25 per thousand.....	\$30. 00
1,500 board feet of hardwood sawtimber, at \$15 per thousand.....	22. 50
4.4 cords of softwood pulpwood, at \$5 per cord.....	22. 00
6.2 cords of hardwood pulpwood, at \$2 per cord.....	12. 40
Total.....	86. 90

Assuming an average basic land value of \$30 per acre, each acre of forest land could be estimated to have a conservative and real market value of \$116.90. Total forest assets at present are valued at over \$58 million.

By liquidating 15,600 acres of forest land from tax rolls and private ownership, the total forest wealth of the Little Tennessee would be reduced by almost \$2 million immediately, eliminating 156 jobs.

Assuming this 15,600 acres of land currently producing a conservative \$5 per acre each year in growth, \$2 million of forest raw materials could be produced in 25 years. Under intensive forest management, this same 15,600 acres could produce \$6 million of forest raw materials at current prices.

FUTURE FOREST INDUSTRIES

Recent suggestions for additional wood-using industries that could be attracted to this area are:

1. Pallet and crating plant to utilize hardwoods in the area.
2. Dimension mill for furniture.
3. Railroad crosstie plant.
4. Hardwood flooring mill.

None of the above industries require huge amounts of water storage, nor do they require barge transportation.

Before a woodusing industry demanding a large amount of water could move to the Little Tennessee, the following should be thoroughly analyzed:

1. The Little Tennessee Valley is in the procurement area of five pulpmills and within truck-haul distance of three of them.
2. Pollution problems would be intensified with the Little Tennessee waters made interchangeable with the presently polluted Fort Loudon Lake.
3. Of the 500,800 acres of timberland in the three-county Little Tennessee area, 287,000 is at present in Government ownership, subject to regulatory and periodical harvest as prescribed by the Government. These timber harvests are based on land management rather than on the demands of industry for raw materials.
4. Seventy-five percent of the timber stands in the Little Tennessee area are in growing stock. They need no particular harvest other than thinning or improvement cuttings, and this on only 14 percent of the stands. Any large increase in present harvest would decimate growing stock and reduce future prospects.
5. A percentage of the present growing stock stands are unmerchantable for commercial timber operations because of low volume per acre and ruggedness of terrain. Exact figures are unavailable.
6. Construction of a \$42.5 million lake with its 310 miles of shoreline would impair timber harvest even more. It would require devious haul routes, miles of additional haul roads resulting in accelerated soil erosion. Stumpage value would be depressed because of longer and costlier haul routes. (Note: An example of this is the south shore of Parksville Lake in the Hiwassee drainage.)
7. Private forest landowners paying taxes on their land and enjoying the rights of ownership sell at their own choosing, often with the advice of a professional forester. Only a small portion of the timber stands of the Little Tennessee are placed on the market for sale each year.

In forest management, it is axiomatic that harvesting growing stock is comparable in the financial world to liquidating a capital investment. New forest industry moved into the Little Tennessee drainage would do so at the expense of the existing 59 wood-using industries using Little Tennessee forest products.

Under normal circumstances, expansion of Little Tennessee woodland users would occur as growing stock became harvestable and merchantable by forestry standards. Normal mature growth would be absorbed yearly by full development and expansion of existing industries without exploitation of existing timber capital.

ROSE ISLAND NURSERY AND SEED ORCHARDS

Hiwassee Land Co.'s Rose Island nursery, with the capacity of producing 30 million forest tree seedlings per year, would be completely lost to the Tellico Dam project. The sandy loam soil at Rose Island, which has been acclaimed by a leading nursery soils expert as the finest nursery soil in the South, permits removal of the tree seedlings during wet weather and with a minimum of root

damage. Rose Island is the only commercial forest tree nursery in Tennessee, and the second largest forest tree nursery owned by industry in the South.

Assuming a yearly production of 18 million seedlings, and a field survival of 90 percent when transplanted into the forest, there would be 16.2 million trees established in the forest per year from this nursery. Based on today's stumpage prices, in 25 years this 16.2 million trees will grow to produce over \$5 million worth of wood. Considering that each 1,000 acres planted to trees provides the base for 10 new industrial jobs, and that the 16.2 million established trees per year would plant over 18,000 acres per year, in 25 years time the base for 4,500 new industrial jobs would be created. This is the same number of jobs TVA estimates will be created in the same period of time on the Tellico Dam project with the expenditure of \$42.5 million of public funds.

Also at Rose Island are 35 acres of pine seed orchards, where 8 years of research has been done on shortleaf, loblolly, and Virginia pines under the direction of Dr. Bruce Zobel, forest geneticist, North Carolina State University. As with any research work done with growing things, it is difficult to predict the ultimate results either in percentage improvement or dollar value, but it is a well-known fact that agriculture as we know it today could not have existed without similar research. It can be expected that research is going to have an equally important effect on forestry in the future. From the research going on at Rose Island, it is safe to assume there will be considerable improvement in both growth rate and fiber quality of trees. Even if this improvement is only a small percentage, it is apparent that the economic potential is largely due to the magnitude of the planting program involved. With the outplanting of superior seedlings, and planting continues year after year, the effect of increased growth will increase at the rate of compound interest. The ability to grow more and better fiber on a given area becomes more vital as the population increases, and more and more forest land is lost to recreation, highways, power and gas line rights-of-way, and urban development.

Respectfully submitted,

L. M. LACKEY,
*President, Association for Preservation of the
Little Tennessee River, Vonore, Tenn.*

TENNESSEE GAME AND FISH COMMISSION,
Nashville, Tenn., July 9, 1965.

DEAR SENATOR: Descriptions of the scenic beauty of the valley of the Little Tennessee River are recorded from the time of the earliest white explorers. More recently, the very important historical and sport fishing values were recognized. These resources and the proximity of the river to Great Smoky Mountains National Park and Cherokee National Forest led to its early identification as a river worthy of preservation. This feeling is heightened by the fact that only 33 miles of the Little Tennessee remains unimpounded and with 18 major dams in a 50-mile radius, very few natural stretches of river remain in the area.

With the intense competition between TVA, the Army Corps of Engineers, and the Soil Conservation Service for our remaining watersheds, the free-flowing waterway may truly become a memory. This threat was documented in the President's message on natural beauty before Congress in February.

We will appreciate your careful study of the Tellico Dam project which threatens the remainder of the Little Tennessee. We hope the enclosed information will assist you in your deliberations.

Sincerely,

FRED W. STANBERRY, *Director.*

STATEMENT OF FRED W. STANBERRY, DIRECTOR, TENNESSEE GAME AND FISH COMMISSION, ON POTENTIAL FOR RECREATIONAL DEVELOPMENT ALONG THE LITTLE TENNESSEE RIVER

The Little Tennessee River is strategically located in relation to Tennessee's best known vacation area. It lies between the Great Smoky Mountains National Park, which has the highest visitation rate of any national park, and the southern half of the Cherokee National Forest. Highway 129, which parallels the Little

Tennessee, provides the western access for the Fontana, Santeetlah Lakes resort area and the Nantahala and Joyce Kilmer National Forests.

The national park expansion of visitor facilities is moving toward the Little Tennessee River along the new Foothills Parkway which terminates on the west bank. Across the river, the Cherokee Crest Scenic Highway, included in the President's Appalachia program, begins to provide a new entry to the Tellico wildlife area and southern national forest just as the Foothills Parkway gives new access to the national park.

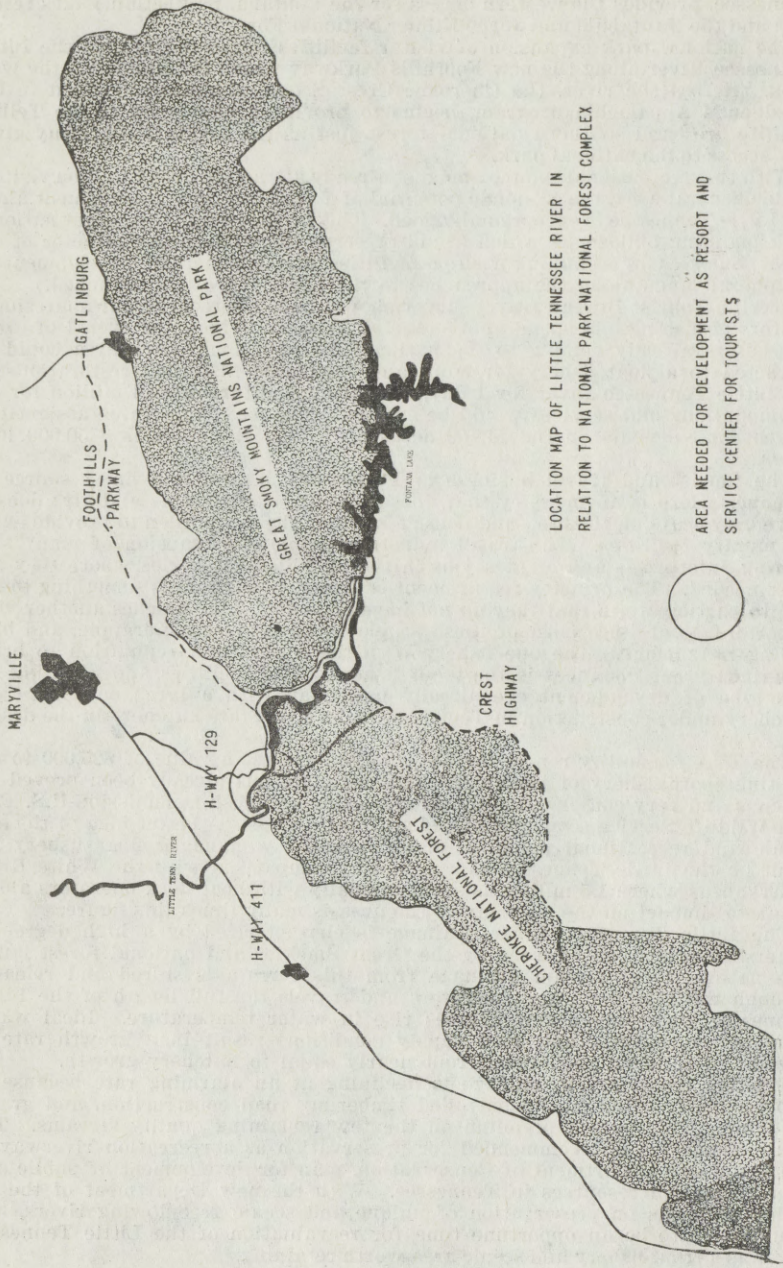
With this recreational complex magnet already attracting over 7 million visitors to this general area, the economic potential of a visitor service development along the Little Tennessee is exceptionally good. This is consistent with recent national park planning philosophy which would preserve the wilderness character of the Great Smokies by confining visitor facilities and commercial development to peripheral lands along the approaches to the park. (See map attached.) The Knoxville Tourist Bureau travel survey shows that 14 percent of our nonresident visitors go fishing and spend an average of \$6.30 while here. If even 1 of every 10 visitors already coming to the national forest-national park area could be attracted to a float fishery for trout and associated historical restorations on the Little Tennessee River for 1 day, a local expenditure of \$4.4 million for accommodations and services would be created. The maximum value assigned to recreational benefits on the 14,400 acres of Tellico Reservoir is \$750,000 in 7 years.

The tourist and travel business is Tennessee's largest and finest source of revenue. Here is an industry that doesn't pollute the streams and air; doesn't leave ugly scars on the land and doesn't increase the tax burden to provide extra community facilities. The travel industry stimulates expansion of many supporting enterprises and creates jobs in the unskilled categories where they are most needed. The primary requirement of transient visitors is something to see and to participate in that they do not have at home. This touches another very important point since most of these people do have bluegills, crappie, and bass fishing near home. The one fishery with the appeal and reputation to bring fishermen great distances is the trout fishery. The facilities and planning for this type of development are already underway with a large national trout hatchery under construction in Tennessee and a new State hatchery in the design stage.

The TVA feasibility report for Tellico Dam assigns a value of \$25,000 to the existing sport fishery of the river. This estimate has already been proved erroneous and very conservative by a joint Game and Fish Commission-U.S. Fish and Wildlife Service economic survey still in progress. A better idea of the economic and recreational potential of an intensively managed float fishery for trout on the Little Tennessee can be had by comparison with the White River in Arkansas where 1.5 million is spent annually with boat dock operators alone. The total impact on the economy of the area is many times this figure.

The Little Tennessee River drainage is characterized by a high degree of watershed protection afforded by the Great Smokies and national forest lands. The natural trout stream drainage from this terrain is stored and released through the Fontana Dam generators and travels the full length of the Little Tennessee with only a few degrees rise in water temperature. Ideal water temperature, oxygen, and food supply conditions result in a growth rate of introduced rainbow and brown trout nearly equal to hatchery growth.

Existing trout stream mileage is declining at an alarming rate because of impoundment, pollution, uncontrolled timbering, road construction, and gravel dredging. This puts a premium on the few remaining quality streams. The Little Tennessee is recommended for preservation as a recreation riverway in the Tennessee Department of Conservation, plan for development of public outdoor recreation resources in Tennessee. With the new Department of the Interior emphasis on preservation of unique and scenic free-flowing rivers, this would seem to be an opportune time for reevaluation of the Little Tennessee River as a trout fishery and scenic area worth retaining.



LOCATION MAP OF LITTLE TENNESSEE RIVER IN
RELATION TO NATIONAL PARK-NATIONAL FOREST COMPLEX

AREA NEEDED FOR DEVELOPMENT AS RESORT AND
SERVICE CENTER FOR TOURISTS

REASONS FOR PRESERVING THE LITTLE TENNESSEE RIVER AS A RECREATIONAL WATERWAY

(1) Because of the unique combination of factors creating nearly ideal habitat conditions for trout, the Little Tennessee River is possibly the most unique fisheries resource in the State.

(2) The artificiality normally associated with hatchery releases is minimized since fingerling rainbow mature under natural conditions and grow at nearly the same rate as hatchery produced trout. The TVA fisheries evaluation report makes reference to this.

(3) The productive capacity of the river for raising small trout to adult size is comparable to all the natural trout stream mileage of the Tennessee Appalachian Range combined.

(4) The recreational claims for Tellico Dam are particularly insignificant because of the 18 major existing reservoirs within a 50-mile radius of the proposed lake. Planning studies show that most of the visitors to a new lake are attracted away from other lakes nearby, to the detriment of established businesses there. As for adding new warm-water fishing opportunity to the region, fish tagging studies have proved that 80 percent of our game fishes are not now being harvested.

(5) The system of governmental impoundments in Tennessee no longer provide the same attraction for nonresident visitors because of the proliferation of reservoir construction throughout the Southeast and more recently in the Mid-western States. This trend is confined in the steady decline of nonresident fishing licenses sold in recent years.

(6) Trout stream mileage is decreasing at an alarming rate in the East which puts a premium on the few remaining quality streams. Tennessee is a long narrow State soon to be traversed by two north-south interstate highways. The uniqueness and appeal of good trout fishing can provide an important attraction for diverting a larger portion of the tourist flow from the interstate highways and help the State to remain competitive in the tourist travel business.

(7) The Little Tennessee in conjunction with nearby Chilhowee and Calderwood Lakes can provide a trout fishing complex comparable to the White River in Arkansas which contributes over \$5 million to the economy of the north-central Ozark Mountain region.

(8) The Tennessee Valley Authority has always been alert to possibilities for further development of fringe benefits and opportunities resulting from their primary responsibility of power production, navigation, and flood control. Examples are their pioneering efforts in fishery research on large impoundments and forest restoration in the Tennessee Valley. However, the recreational potential for cold-water fisheries development in tail-water rivers has been completely ignored.

(9) With the new Department of the Interior emphasis on the preservation of unique and scenic free-flowing rivers, and the impetus given recreational development by the Bureau of Outdoor Recreation and the Appalachian Regional Commission this would seem to be an opportune time for a review of the potential of our remaining natural rivers.

Submitted by:

TENNESSEE GAME AND FISH COMMISSION,
FRED W. STANBERRY, *Director*.

CHEROKEE NATION,
Bartlesville, Okla.

RESOLUTION BY THE EXECUTIVE COMMITTEE OF THE CHEROKEE NATION OR TRIBE OF OKLAHOMA

Whereas the Tennessee Valley Authority has deemed it necessary to locate and construct a dam and reservoir project upon the Little Tennessee River in the State of Tennessee, which project will cause to be inundated the valley in which Sequoyah was born; and

Whereas a large number of persons and organizations interested in the preservation of American history have, by resolution and otherwise, deplored the decision to inundate the site of Sequoyah's birthplace, and other important historical sites and monuments, and have advised the Cherokees in Oklahoma

that an expression of our views would be welcome in connection with this matter :
Be it therefore

Resolved, That the Executive Committee of the Cherokee Nation or Tribe of Oklahoma does hereby go on record to the proper congressional representatives urging that a way may be found to preserve the above-mentioned historical monuments and sites worthy of preservation and remembrance, and that they wholeheartedly join hands with the patriotic persons and firms in that area who heretofore have expressed their views on this subject, and trust that an acceptable program can be adopted and followed which will preserve for posterity Sequoyah's birthplace, as well as the other important historical sites and monuments.

Done at the city of Tahlequah, Okla., this 8th day of May 1965.

Attest :

Principal Chief of the Cherokee Nation in Oklahoma.

MARIE L. WADLEY,
Executive Secretary.

ARGUMENT IN OPPOSITION TO TENNESSEE VALLEY AUTHORITY'S REQUEST FOR FUNDS TO CONSTRUCT TELlico DAM IN TENNESSEE

WHY BUILD TELlico DAM?

In 1942 the War Production Board turned down the Tellico project on the grounds that it was nonessential.

In 1961, General Vogel, then Chairman of the TVA Board of Directors, questioned the feasibility of Tellico Dam without State and county participation in its financing to produce a favorable cost-benefit ratio.

Now, in 1965, TVA attempts to justify the Tellico project by adding a new element, industrial development, and says that the project is justified by the industrial development potential. Without any supporting facts, they predict that 25 years from the building of the project there will be \$265 million in new plants, and 6,600 new jobs. There is one factor that TVA's promise of industrial riches overlooks. Creating additional industrial land is no automatic guarantee that industry will seek it. There are 13 now-existing waterfront industrial sites in the immediate vicinity of the proposed damsite with no takers. The State of Tennessee already has 72,000 acres of industrial sites available on navigable waters. Melton Hill Dam site, the most recently completed TVA dam in the immediate area (approximately 15 miles) has 1,050 acres of industrial land reserved by TVA and as yet has no industry located there. Tellico Dam's industrial site would compete with these mentioned. In addition, the adjacent cities of Knoxville and Chattanooga and intermediate smaller cities now have available industrial sites consisting of several thousand acres that they are vigorously promoting. A great deal of the 200 miles of lake frontage between Chattanooga and Knoxville are available.

The cost can be given in other terms; TVA proposes to remove 300 families from their homes and flood about 14,000 acres of prime farmland in order to acquire 5,000 acres of so-called industrial land in the face of no industrial land shortage.

Much has been made of the good highway and rail access to lands in the Vonore area. What this really means is that this land already has prime industrial potential and existing advantages would be destroyed by Tellico Dam; e.g., riverfront sites, cold, clean processing water that industries such as food processors and pharmaceutical producers must have.

In October of last year, the TVA declared in justifying Tellico Dam that "The key missing element is barge transportation." As recently as March 24, 1965, Chairman Wagner stated, "The key missing element to the industrialization of the Little Tennessee is water transportation." Aside from the fact that no factory owner would deliberately locate as far away from the Ohio and the gulf as he can possibly get, and pass up big industrial areas and available waterfront land on the lower river; this is an admission that Tellico Dam would only make one important contribution and that would be a navigable waterway to this upland mountain valley. It is interesting to note, however, that the heaviest industrialized area in the State of Tennessee is in upper east Tennessee, in the Bristol, Greeneville, Kingsport, Newport, and Morristown area. All of these industrial cities are located far from navigable waters.

In November 1962, Hammer & Co. Associates, of Washington, D.C., made an economic study of Metropolitan Knoxville and Knox County (the largest metropolitan area adjacent to the Tellico site) for the metropolitan planning

commission. As a part of the economic study, a careful analysis was made of the potential use of the Tennessee River system for transportation purposes in and affecting the immediate area of Knox County. This analysis utilized many materials developed by the TVA over the course of the years, but was set in the general framework of changes that have been taking place in the Great Valley of east Tennessee.

The potential development of industries directly tied into waterway transportation was not regarded as a major factor in the future economic growth pattern of Knox County. * * *

"In considering the potentials of local industrialization based upon waterway transportation several obvious facts stand out."

"1. Only minor use has been made of the Tennessee River system for transportation purposes in Knox County up to the present time. A typical list of bulk tonnages has been involved—primarily petroleum products upstream into the area and primarily sand, gravel, and coal downstream. Nothing significant in the way of local industry has developed based on water shipments either inbound or outbound." "The question is: What of the prospects for Knox County and its location on the headwaters of the Tennessee River system?"

"It must first be recognized that the lack of major water-linked development up to the present time has been no accident. The points on the river to the south from Chattanooga east have been much more strategically located to develop water-linked industries that could be tied into the new industrial complex of the southeast, particularly in the industrial Piedmont region. Generally speaking Knoxville has offered no competitive cost advantages with its river location—it has shorter and more direct rail and highway connections to the industrial Midwest, and its service area to the east also has advantageous rail and highway connections to the Midwest and North Atlantic areas. Moreover, the complement of industries within the Great Valley of east Tennessee has not generated tonnages of either inbound or outbound freight sufficient to utilize the advantages of bulk transportation on the river via Knoxville facilities."

"In broad view, it now appears that the river is not likely to become a major factor in Knoxville-Knox County's economic development in the future as it relates to transportation. Substantial increases in waterway usage on the Tennessee River to the south and on other streams throughout the Southeast can be confidently predicted for valid reasons, but Knoxville's geographical location is not advantageous in this respect."

The Hammer report points out rather emphatically the minor contribution made by water transportation in Knoxville's industrial development because of the distance away from the Mississippi River and gulf. The Vonore area (proposed for industrial development by TVA) would have the same disadvantages of delay and expense of moving materials to the head of the Tennessee River system. A further handicap at Vonore is the lack of skilled labor, and all the social and supporting services required for complex industrial activity.

The TVA says of the three-county area affected by Tellico Dam: "The Blount, Monroe, Loudon Counties area is in the midst of a difficult economic transition." They would have it believed that these counties are suffering from an out-migration of its people due to unemployment and a sick economy. But this is refuted by the statistical facts. Blount, Loudon, Monroe Counties had a total population increase from 1950 to 1960. The growing economy of the area is reflected by the increase in bank deposits.

Figures from the Tennessee Banking Association reveal that the bank deposit increase in 9 banks serving the tricounties from 1958 through 1964 was 74 percent. The increase for the entire United States for the same period was 32.7 percent and the State of Tennessee was 37.4 percent. In other words, the "failing economy" of Blount, Loudon, and Monroe Counties had bank deposits of over 36 percent greater than the State average, and over 40 percent more increase in deposits than the entire United States. Figures from the Tennessee Department of Public Welfare reveal that the percentage of people in the affected area receiving public welfare assistance is below the State and the national average. We therefore conclude that TVA's justification for constructing Tellico Dam on the basis of "industrial development in a distressed and needy area" is invalid.

The Knoxville Chamber of Commerce made a study of TVA's proposal to build Tellico Dam and then refused to endorse it. Knoxville's City Council, Knox County court, Blount and Loudon County courts did likewise. The Tennessee River Tributaries Association, one of TVA's staunchest supporters, refused to take

any stand. The Little Tennessee Tributary Development Association sponsored by TVA to analyze the proposal and urge construction of the dam refused to support the project.

There are now 18 major dams within a 50-mile radius of Tellico site. There are no comparable natural rivers left in the area except the remaining 32 miles of the beautiful Little Tennessee which the dam would destroy.

The Little Tennessee River area which TVA seeks to inundate now has unique industrial advantages with level riverfront sites and cold, clear processing water. There are 14,000 acres of productive bottom land yielding \$3 million a year in agricultural products. The U.S. Census of Agriculture states that these three counties from 1955 to 1960, had a 40-percent increase in farm products sales. In addition, forest assets at present are valued at \$58 million. By liquidating 15,600 acres of forest land from the tax rolls, the total forest wealth would be reduced by \$2 million immediately, also eliminating 156 forest jobs.

The Little Tennessee River Basin is steeped in historic values. Fort Loudoun (under careful restoration), built 23 years prior to the American Revolution, would lose its historical setting and significance to the rising waters of Tellico Dam. Chota, the governing center of the Overhill Cherokees and sacred city of refuge, would be inundated. Also, Tuskegee Town, birthplace of Sequoyah who formed the Cherokee alphabet and Tennessee Town, which gave the State and two rivers their names. Other threatened village sites are Toqua, Tomotley, Seetacoo, and Mialaquo.

Rose Island, a \$1 million investment by Hiwassee Land Co. and second largest commercial forest tree nursery in the South, will be destroyed plus 9 years of genetic experimentation in breeding superior trees.

Tellico Dam would also inundate an area of strategic importance in the development of Tennessee's tourist industry. The most logical expansion area for development of tourist-related accommodations and services is the upper Little Tennessee Valley. This is consistent with recent national park planning philosophy which would preserve the wilderness character of the Great Smokies by confining visitor facilities and commercial development to peripheral lands along the approaches to the park.

Available survey information indicates that high-quality trout fishing on the river in conjunction with nearby Chilhowee and Calderwood Lakes can stimulate an additional \$5 million in local expenditures from the 8 million people already attracted to the general area.

STATEMENT BY ALICE WARNER MILTON, EXECUTIVE DIRECTOR AND TRUSTEE FOR
FORT LOUDOUN ASSOCIATION

1. The board of directors of the Fort Loudoun Association, member of National Trust for Historic Preservation and recognized authentic historic restoration by the Tennessee Historical Commission, passed a resolution December 15, 1964, protesting TVA's proposed Tellico Dam project. They declared themselves "unalterably opposed to any change in the topography of this region which would destroy the archeological and historical value and character of this (Fort Loudoun) development."

Tennessee's historic sites program of restoration and preservation is one of the State's major assets economically, historically, and scenically. Four million visitors are attracted to the State annually by these historic restorations according to statistics of the Tennessee Historical Commission. The Reader's Digest reported that "a community that has an average of 28 tourists a day, has an additional income equivalent to that brought in by an industry carrying a \$100,000 payroll." Fort Loudoun restoration easily qualifies as such an attraction.

2. Lands and rivers are designed and formed by nature for different uses of civilization. The valley of the Little Tennessee River in its present state is ably serving useful purposes of agriculture, seedling nursery, dairylands, recreation places, historic sites, potential archeological area and natural, unsurpassed scenic beauty. Three hundred or more families live in this river valley. In 1941 when Franklin D. Roosevelt dedicated the Roosevelt Library and Museum at Hyde Park he remarked " * * * a nation must believe in three things, it must believe in the past, it must believe in the future, and it must, above all, believe in the capacity of its own people so to learn from the past that they can gain in judgment in creating their own future."

Secretary Stewart Udall writes in his book, "The Quiet Crisis" that "we cannot afford an America where expedience tramples upon esthetics, and development decisions are made with an eye only on the present."

Let's save the Little Tennessee River Valley and forever preserve its archaeological, historical, and scenic value from the flood waters. Let it be dedicated to its natural purposes.

1. The first several chapters of Tennessee history books tell the story of the Cherokee Indians in the Little Tennessee River Valley which TVA's proposed Tellico Dam will flood.

2. Archeologists have evidence the Little Tennessee River Basin was inhabited over 8,000 years ago.

3. See attached map of Lt. Henry Timberlake, an English regular in the Cherokee country in 1762. The map shows Overhill Cherokee towns along the riverbanks and in the river valley. Original of map is in British museum.

4. The Cherokees were the most important Indian nation in Tennessee history. The tribe occupied nine towns in the river basin. This area has important archeological material. Seven of these settlements lie in the path of the flood waters of the proposed Tellico Dam. The history of these Cherokee towns is given below.

5. Chota, sacred city and governing center of the Cherokee Tribes, shown on map in the great bend, was the gathering place for the principal chiefs and warriors. The council house at Chota accommodated 500 people. The entrance in the time of Fort Loudoun was graced by two swivel guns, presented to Old Hop, Kanagatucko, called the Emperor of the Cherokees, by the Governor of the Colony of South Carolina.

6. Across the river from Chota Bend is the beginning of the Unicoi Turnpike of 1815 and Henry's Ferry. This was the first road built through the Cherokee country. It generally followed the old Cherokee trade path to Charlestown. The path was called Wauchesi Trail. The ferry continues to operate and the trail has widened into a comfortable, well-crowned dirt road.

7. Tennesee town was several miles below Chota. It is said to be the earlier principal town of the Cherokees. This is the town from which our State and two rivers take their names. The Tennessee Historical Commission has been requested to place a bronze marker at this historic site.

8. Toqua town where a single Indian mound remains. There are three shown on the Timberlake map. The Cherokees told the English these mounds and others were here when their forefathers occupied the river basin in early 1500's. The mound will be covered by TVA's Tellico Dam.

9. Tomotley town. Here the English troop bivouacked in September 1756. They were 2 miles from the King's land of 700 acres, ceded by the Cherokees, where Fort Loudoun was to be built on the bank of the Little Tennessee River. William Gerard DeBrahm, surveyor general in His Majesty's service had his headquarters at Tomotley town.

10. Tuskegee town adjoins the site of Fort Loudoun. This town was the birthplace of Sequoyah who formed the Cherokee alphabet which enabled these Indians to read and write their own language. Later they had printing presses and published a newspaper known as the Phoenix. Sequoyah's father was Nathaniel Gist, a trader from the Colony of Maryland.

11. Seetacoo, presently shortened to Citico. Ostenaco, or Judd's Friend was principal chief here. He accompanied Lieutenant Timberlake to London along with three other Cherokee chiefs in 1762, was presented at court, was visited by Oliver Goldsmith, a poet of note in this period of England's great society. Sir Joshua Reynolds painted his portrait. Thomas Jefferson was a student at William and Mary College in 1762 and heard this Cherokee chief address a meeting before his departure for London. He wrote his father, Peter Jefferson, he had never heard a more scholarly address. Nancy Ward, beloved woman of the Cherokees and most honored and revered in council meetings, was born near Seetacoo town. Nancy Ward has many descendants living in the river valley and in Oklahoma. From Seetacoo, Col. Gideon Morgan organized a Cherokee regiment which marched along part of the Unicoi Turnpike to join Andrew Jackson's forces at the battle of the Horseshoe Bend. They insured General Jackson's victory over the Creek Indians. Sequoyah, designer of the Cherokee alphabet, served in this Cherokee company.

12. Mialaquo, or the Great Island, the Sentinel Island of the Overhill Cherokees, stands astride the Little Tennessee River, about 17 miles above its mouth.

Atta-Kulla-Kulla, the Little Carpenter, was principal chief here. He was the greatest chief of state craft in the Cherokee Tribes and highly respected by the English. In 1730 he visited England and its civilization and power made a lasting impression. He was a loyal and faithful friend to this country through his lifetime. In 1957 the Hiwassee Land Co. established a forest tree seedling nursery on Mialaquo. Genetic research is presently being done here. This is the largest industrial forest tree nursery in Tennessee. Mialaquo, the Great Island will be flooded out by the waters of the proopsed dam.

13. Fort Loudoun. Four miles above Mialaquo, Fort Loudoun was built in 1756, a trade post with the Cherokees and a competitive threat to French trade incursions. Fort Loudoun was the first permanent English settlement west of the Appalachians. Seven hundred acres of land were ceded by the Cherokees to King George II for the use of the fort garrison, their families and traders. See map of survey of 1755 by Gen. William Gerard Debrahm, surveyor general in His Majesty's service. See also attached map showing route English troops followed into Overhill Cherokee country.

Fort Loudoun was an important factor in England's ultimate victory over the French for possession of the North American continent. The proposed Tellico Dam will flood the Little Tennessee River Valley, the ancient homeland of the Cherokees. To protect Fort Loudoun, TVA proposes to build a dyke 1,500 feet long around the lower half of the fort where the outlook will be as from the bottom of a well. When Fort Loudoun representatives met with TVA officials recently they were advised the fill and dyke would cost approximately a quarter of a million dollars.

Floodwaters from the dam will destroy the topography of this region and seriously impair the historical value and character of the Fort Loudoun development. Now is the time for reappraisal of such programs of destruction.

14. Directly across the river from Fort Loudoun, in 1794 the recently formed U.S. Government built Tellico blockhouse, a fort and garrison for U.S. troops on the border of the Cherokee Nation. In 1797 the Duke of Orleans, later King Louis Phillipe, visited here and witnessed a Cherokee game of ball play in the Cherokee country, not many miles from the site of the massacre of 23 of the surrendered Fort Loudoun garrison in 1760. President James Monroe stopped here on his tour of the Southern United States.

15. Southeast of this river valley is the ancestral home and burial place of Senator Estes Kefauver, Member of the House of Representatives 1939-48 and U.S. Senate 1948-63. He requested burial in the family cemetery in the shadow of the mountains, near the bank of the Tellico River which joins the Little Tennessee a mile below Fort Loudoun. He loved the history and people of his native country and chose to rest in his beautiful, historic homeland. Plans for building Tellico Dam were proposed during his 24 years of office but the plan was never carried forward in his lifetime.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE FORT LOUDOUN ASSOCIATION

Whereas the Fort Loudoun Association was created to preserve and present the history of Fort Loudoun, the most important post in the middle Mississippi Valley in 1756 and the first permanent English settlement west of the Appalachian Mountains; and

Whereas the American public being increasingly conscious of the importance of preserving its heritage of history and recognizing the necessity for the preservation of such recreational and cultural areas; and

Whereas the Congress of the United States aware of this public need passed the Historic Sites Act which reads "It is a national policy to preserve historic sites, buildings, houses and the like for the benefit and inspiration of the people of the United States."; and

Whereas Fort Loudoun, England's furthestmost armed outpost in 1756, in the governing center of the Cherokee Indians, settled along the banks of the Little Tennessee River, represents a historical site of paramount importance in America's colonial period; and

Whereas this organization is actively engaged in preserving this historical fort and presenting its history to the public: Therefore be it

Resolved, That we, the board of directors of the Fort Loudoun Association are unalterably opposed to any change in the topography of this region which would destroy the archeological and historical value and character of this entire development.

Passed by board of directors of Fort Loudoun Association, December 15, 1964.

Fort Loudoun Spectator

1756

1964

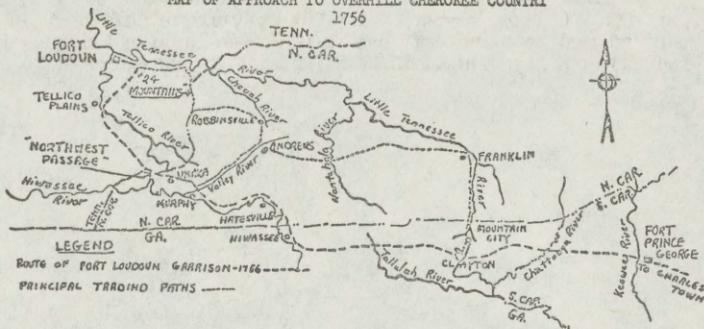
THE FORT LOUDOUN ASSOCIATION
VONORE, TENNESSEE

OCTOBER, 1964 - NO. 5

A MONTHLY LETTER TO MEMBERS AND FRIENDS

FORT LOUDOUN, FALL OF 1756

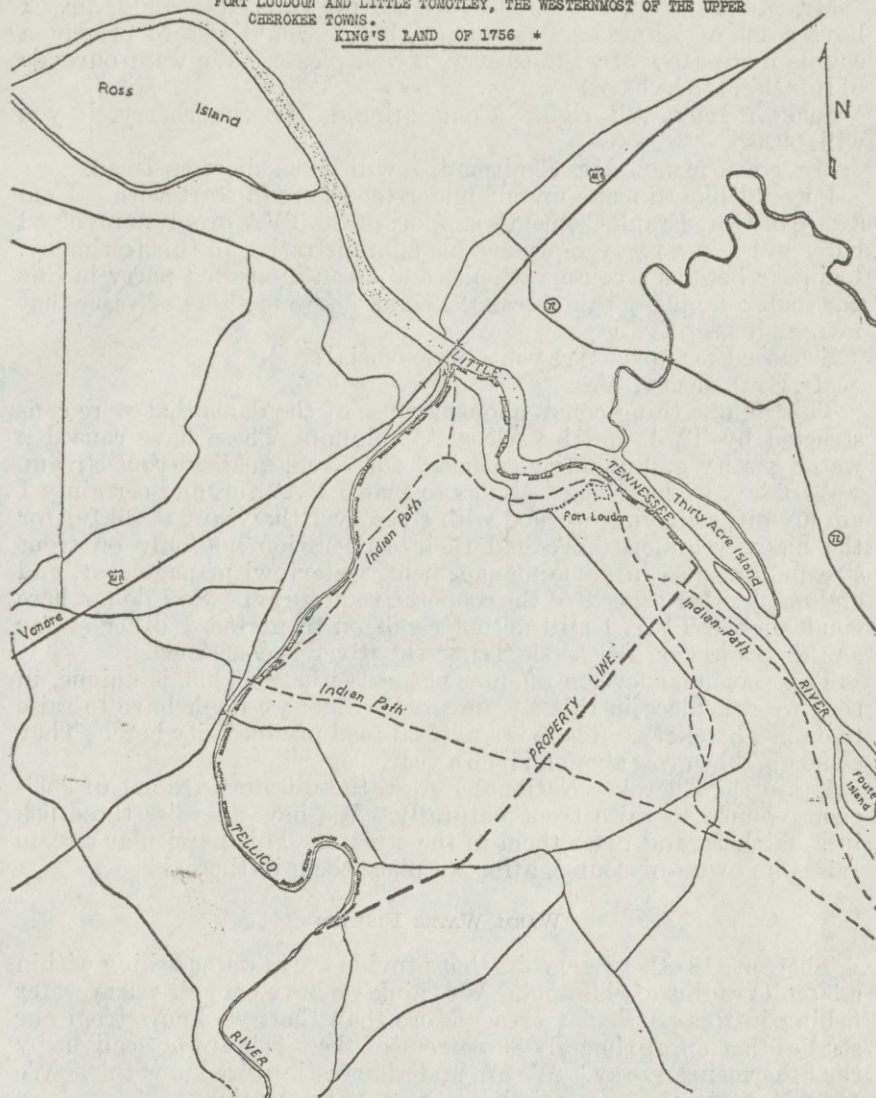
Late in October, Capt. Raymond Demere reported to the Governor of South Carolina on the progress of construction of the Fort. "We are now Pallasado'd round but it is not sufficient for we are too much exposed, the Fort is commanded at present from the Top of a Hill and I believe will be the same when the Works are finished but Mr. D'Brahm (General William DeBrahm, Engineer for His Majesty's forces) depends very much on a Bastion that takes in part of the same hill. - - - Its to be wished that Mr. D'Brahm had built the Fort on the same spot that Mr. Pearson had pitched upon it being a fine levell and even spot of Ground which would have answered much better than to be blowing Rocks out of this Hill - - - and would have saved a great deal of money to the Province" - this thrifty Huguenot of the English Army wrote 208 years ago. Capt. Raymond Demere and the Engineer DeBrahm were not on the best of terms at this writing nor did relations between the two improve as the cold winds and mountain rains of November came into season. Demere continues - "He (DeBrahm) has no reason now to complain for he has above his compliment of Men at work. There is no guard kept in the Day time to please him which is a very hard thing to do." His report as to Cherokee relations was of a brighter nature. "As soon as the Headmen (of the Cherokees) return from their Hunts I shall distribute the Presents to them except a few trifles which I shall keep to give away upon some occasions of Intelligence, the Coats are so intolerable bad that I cannot offer to give them to any of these Indians, they would look on it as an affront was I to offer them; if Your Excellency had seen these Coats I am persuaded that you would not have permitted them to have been sent up - - -" Such were the problems and trials of the Commander of this wilderness Fort.

MAP OF APPROACH TO OVERHILL CHEROKEE COUNTRY
1756

GIFT OF THE MONTH - The Mascot of Fort Loudoun, a Spitz-Collie dog, presented the Fort with A, B, C, D, E, F, G, H, and I puppies in early September. Their names follow the letters. No written record has been found to say the English soldiers and families of Fort Loudoun had dogs here in 1756. But it is quite likely. In Charles Egbert Craddock's story of "Old Fort Loudoun", a cat called "Fifi" has quite a part in the plot. Visitors to the Fort enjoy the puppy display and their antics along with the historical tour and the colorful panorama put on by Mother Nature at this season of the year.

PLAN OF THE ENVIRONS IN THE NECK OF TENNESSEE & TENALUCA RIVERS ABOUT
FORT LOUDON AND LITTLE TOMOTLEY, THE WESTERMOST OF THE UPPER
CHEROKEE TOWNS.

KING'S LAND OF 1756 *



STATEMENT BY FRED STANSBERRY, DIRECTOR, FISH AND GAME
COMMISSION, STATE OF TENNESSEE

TROUT HATCHING

Senator HILL. Thank you, gentlemen, very much.

Now, Mr. Alex Radin?

Mr. MOSES. I wanted to introduce Mr. Fred Stansberry, director of fish and game of the State of Tennessee.

Senator HILL. Well, we did not have Mr. Stansberry on my list, but I do not wish to cut him off.

How many witnesses do you have, sir?

Mr. MOSES. Well, I wanted to use all my time, if I could, sir. I have a lot of witnesses I could use, but I would like to present a couple more after Mr. Stansberry, if you please. We want our side of this thing to be heard.

Senator HILL. All right. Come around, Mr. Stansberry, if you will, please.

Mr. STANSBERRY. Mr. Chairman, I will be as short as I can.

I would like to make myself understood here to start with. I am aware of Gov. Frank Clement's support of the TVA program involved here, and I in no way represent his administration in this testimony. I appear here as a conservationist and as an interested party in this particular unique stream, because I think it is something of value that we need to keep as it is.

Senator ELLENDER. Are you a State official?

Mr. STANSBERRY. Yes.

This unique thing comes about because of the dams that were constructed by TVA and by Alcoa Aluminum. These have caused a water quality and quantity sufficient for a real quality trout stream.

As I say, we have many things to thank TVA for, and certainly I am myself, as having worked with them over the years, thankful for the many years we have had their cooperation not only on trout streams but also in game management, waterfowl management, and and many other aspects of the cooperative program. So I do not here condemn the TVA, I still do not condemn them, but I differ as far as this project on the Little Tennessee River is concerned.

This particular stream offers a natural situation that is unique, in that we can place in this stream small trout; we don't have to raise them in a hatchery. There is a natural food productivity here. They come up, they grow about an inch a year.

Up in the Cherokee National Forest, those waters are not of sufficient volume to raise trout naturally. We have to raise those fish in a hatchery and place them in the stream. This particular stream raises its own—of course, after we place them in there.

WARM WATER FISHING

There are 18 other reservoirs that provide warm water fishing within a 50-mile radius of this spot. We think we have enough warm water fishing in this particular area. More than that, we know from our studies that approximately 80 percent of these fish are not caught by the fishermen, anyway. We are underharvesting; we know this. We are underharvesting our existing warm water potential.

We know that our warm water streams and ponds are no longer the attraction they once were in Tennessee. It used to be the great lakes of the South. This is no longer true, with the impoundments in other parts of the country. We know this because we have a decline in our nonresident fishing licenses.

We know that the trout streams all across the Eastern United States are decreasing in mileage. This is not peculiar just to Tennessee. It is because of pollution, roadbuilding, all of facets of progress, we call it, which are decimating this particular resource.

TROUT FISHERY COMPLEX

We know or believe that the Little Tennessee River, if developed in conjunction with the Chilhowee and Calderwood Dams, could be a trout fishery complex comparable to the White River in Arkansas. There is not as much mileage there, but it is certainly some basis for comparison. There, it is a \$5 million project, or annual revenue to the people.

Two other things:

We recognize, as I said before, the alertness of TVA in all aspects of management. They have been helpful even recently in our shellfish production. They were leaders in warm water fishing management. But we do think they have ignored this cold water fishery in conjunction with reservoirs—or almost so.

We would also like to point one other thing, not only from the point of view of Tennesseans, but the whole Nation. We believe there is a need to look at our existing free-flowing streams, and this is the remnant of such. We would like to see the Little Tennessee River kept as it is for these purposes.

I think you, sir.

Senator HILL. Thank you, sir.

Mr. MOSES. Thank you, Mr. Stansberry.

STATEMENT OF L. S. CLAPPER, NATIONAL WILDLIFE FEDERATION

OPPOSITION TO TELlico DAM CONSTRUCTION APPROPRIATION

Mr. MOSES. If the Chairman please, I would like to introduce Mr. Lou Clapper of the National Wildlife Federation.

Come around, Mr. Clapper.

Senator HILL. All right, Mr. Clapper.

Mr. CLAPPER. I have a longer statement here, and I would like to just brief it.

Senator HILL. All right. We will have it appear in full in the record if you wish.

Mr. CLAPPER. Thank you.

I am Louis S. Clapper, representing the National Wildlife Federation, which has headquarters here in Washington, D.C.

Our organization is composed of affiliates in most of the States. These affiliates are made up of individuals who, when combined with associate members and other supporters of the National Wildlife Federation, number an estimated 2 million persons.

My purpose in being here today is to join the Tennessee Conservation League and other conservation agencies and groups in opposing appropriations for construction of the Tellico Dam on the Little Tennessee River. In substance, we want to associate ourselves with the principles expressed today by Mr. Fred Moses and others from Tennessee.

OUTDOOR RECREATION

Our organization long has supported programs and projects which will provide the maximum in outdoor recreational opportunities for the public. This concept envisions a broad variety of recreational

opportunities—seashores, wildernesses, scenic areas, parks, et cetera. As a former resident of Tennessee, I am well aware of the tremendous contributions of TVA to these outdoor recreational opportunities for fishing, for hunting, for camping, for picnicking, for water sports, et cetera. The plain fact, however, is this: The Tellico Dam is proposed for an area which has an abundance of lake-type recreational opportunities. And, it would come at the expense of a free-flowing, cold water stream which offers the best trout fishing in the area.

Only last month it was my privilege to drive along a section of the Little Tennessee River in the early morning hours. Even though the river was partially shrouded in fog, I counted 25 boatloads of fishermen in a short stretch of the river. To impound this stretch of stream would mean loss of an irreplaceable asset to the area and to these fishermen who use it. We believe this area should be zoned as a free-flowing stream.

STUDY OF EFFECTS OF DAM ON RECREATION

According to newspaper articles printed in Knoxville, the Interior Department has initiated a study of effects of the proposed Tellico Dam on recreational opportunities of the region. We have been unable to obtain any information on results of the study but newspaper accounts indicate it was initiated as the result of concern on the part of officials high in the executive branch of Government. While we would like to see the Tellico project blocked indefinitely, we believe the committee at least should defer approval until results of this study become available.

Thank you, Mr. Chairman, for the opportunity of making these remarks.

Senator HILL. Thank you, sir. Your complete statement will appear in the record.

(The prepared statement of Mr. Clapper follows:)

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STATEMENT OF JUDGE SUE HICKS

PRIVATE DEVELOPMENT OF AREA

Mr. MOSES. Mr. Chairman, I would like to introduce Judge Sue Hicks. Come around, Judge.

Senator HILL. Judge Hicks.

Judge HICKS. Mr. Chairman and Senator Ellender, gentlemen, there is not enough time, where people are opposing and questioning the judgment of somebody like the TVA, for us to present our side. I have all my life, ever since TVA started in 1933, been a strong supporter, and still am. I put the bill through the legislature at the request of TVA, one of the co-ops, to form the co-op there. I think I am one of the best friends they have got, and we are not here fighting the TVA. We are questioning a project, one project.

Now, the difference between this project and other projects is this. Most of the time you have somebody coming before you that the land is being taken for public purposes under condemnation, and they hate to leave their homes. Of course they do, everybody does. So that is not the mean thing against this thing. And it is not just trout fishermen, although you heard these other organizations.

I am not even a trout fisherman. I am a retired judge, and I own no land down there in the area, but I have lived there all my life.

But here is the question. These people that live there believe that we can develop that faster and quicker and better than the TVA when they build that dam. We believe if they leave the water off—and most of these farmers there are used to TVA taking land all over this area. But we think they ought to leave it off and try another year, and let you gentlemen send a committee down there and see who is right, settle the question.

PLAN OF DEVELOPMENT

Senator ELLENDER. How does your plan of development differ from the way it would occur if the TVA built the dam?

Judge HICKS. I am glad to present that, I am glad you asked the question.

It differs in this way: TVA floods the thing, and they say that by flooding it they will bring barge transportation and make 5,000 acres of land a good industrial area, and bring industry there. But when they say they will bring industries there over a period of 25 years, they are pretty safe on that deal.

Now, this Hammer report was gotten up by the Knoxville Chamber of Commerce and covers this area. We say that the industrialists' consultants, one of the best in the country, they say that that water

transportation will not bring in industries, not based on water transportation.

Now, we say, on the other hand, Senator, that cold fresh clean power and uncontaminated water will bring the type of industries that we want there, and it will bring them quicker and better, and a better type. We can't have another pulp mill down there. The timber has all been brought up, and there are six different outfits taking pulp from that area. We can't ever hope for another big mill like that.

Now, it is 20 miles from the mouth of that Little Tennessee River where it will empty into the Big Tennessee down here at Fort Loudon Dam. It is 20 miles from there down to where the TVA proposed to put that industrial site, 5,000 acres, and resell it for industries.

Now, it is about that distance from the mouth of that Little Tennessee to Knoxville, and they don't have any industries on that river up there. And it could be done very easily. I know of other sites; I know lots of them.

But, gentlemen, here is the question, the question that I think should be settled.

STUDY AND FURTHER INVESTIGATION

Now, we say that we have got a reason for this being accepted, or not being accepted. We are not fighting the TVA. I know Senator Gore and these people running for office can't afford to be on record as fighting the TVA. I understand that. I am his friend. I am a friend of these other people. But I know they don't want to be charged with fighting TVA, and I don't blame them.

But why not, since all these organizations say we can develop that river better and faster, why not wait 2 more years. We have been 22 or 23 years already, with it hanging fire. Why not wait 2 more years and go on and build this other dam for these people. They want it. I am not saying build or not build it, but use the money there. And then take this money and find out about this water pollution that we say will ruin our river, will back up from the Big Tennessee right down here at Knoxville, and investigate it all, and then decide who is right, TVA or us people; and I for one will be satisfied.

Senator ELLENDER. Is it your view that there is sufficient flat land around there to develop such industries as may desire to locate in that area?

Judge HICKS. It is not my view, sir. I know that whole area.

Senator ELLENDER. I have been looking at the map of Tennessee, a good deal of it, and there are quite a few—

Judge HICKS. Senator, we want you to come down there when you can take the time, the committee, and decide this question.

Now, listen, TVA is subject to error like all the rest of us people. Their engineers want to build. They are honest people. I am not accusing anybody of being dishonest, but I think they are wrong.

CHEROKEE NATIONAL FOREST

Now, here is another angle, the reason I say we can develop that. Tourists are pouring into this area. Gatlinburg is bursting at the seams. The Cherokee National Forest, which takes in one-third of the county of Monroe, where this industrial site is—now, we have got

a forest there, and we don't need a park. TVA proposed to give the State the park.

Senator ELLENDER. Is that aside from the land between the lakes?

Judge HICKS. No, it is not between the lakes. It is additional land.

Senator ELLENDER. No; but I mean, this is a separate one?

Judge HICKS. Oh, yes. This would be above what they cover up and what would be industrial. There's 16,000 more of that that they want to take.

AREA OVERRUN BY TOURISTS

Now, I think that these tourists want to see something new, something different. All those 22 lakes over in that area, they are not going to come down there just to camp and fish on those lakes. Nearly everybody all over the country is building a lake within 80 miles of home, and statistics say that that is where most of the tourists will go, 80 miles from home. And if they want warm lake water, they won't come down to Tennessee. That is shown by the drop in the fishing licenses.

Now, we say that will attract tourists, and we can make another White River arrangement. And all I am asking, gentlemen—I am a disinterested man; I've got no personal interest in this business. We have got fine historical sites, the great million-dollar development of the Hiwassee Land Co. indicates they would cover. Why not put this off and not fight this business, but come down there and decide this thing. Two years won't hurt us.

TVA has got \$11 million more appropriation than they ever had heretofore. But now, if you start that thing, it is gone. We just ask you, in all fairness, don't vote this appropriation until you can come down there and let a disinterested party develop it. Because we think, from the tourist standpoint, that country is going to be overrun the White River, I don't know if any of you know about the White River or not, but a million and half dollars went in there last year, from trout fishermen alone. Trout fishermen will go all over the country to fish, and take their wives, and there are million dollar hotels in there—I am talking fast to try to save time, gentlemen—and their wives stay there and play bridge, and they fish. And they tell us that there in Arkansas a million and a half dollars went in there last year. We think this is equivalent to that.

Thank you, gentlemen. Sorry to take up so much of your time.

Senator HILL. Thank you.

(The prepared statement of Judge Hicks follows:)

Mr. Chairman, I sincerely appreciate the privilege of making this statement to this committee for the purpose of giving you my views in opposition to the request of the Tennessee Valley Authority for the appropriation of funds to start the construction of a dam across the mouth of the Little Tennessee River, which dam is commonly known as the Tellico project.

In order to identify myself, I might tell you that I live at Madisonville, Monroe County, Tenn., where I was born and have resided the most of my life. It is on Highway 411, 10 miles from the Little Tennessee River near Vonore, where the proposed 5,000 acres are to be taken by TVA for the industrial complex. I am a retired judge, having held court for more than 22 years over a circuit covering seven counties, including Monroe, Blount, and Loudoun, which are the three counties to be affected by the proposal Tellico project.

For many years I have been vitally interested in the progress and development, economically, and otherwise, of this section of my country, and since my

retirement 7 years ago, I have spent practically all of my time in such endeavor. For this purpose, I am now affiliated with the following organizations:

1. *The Little Tennessee River Valley Development Association.*—I am now president of this association, and as such president, I am a member of the board of directors of the Tennessee River Tributaries Association. The latter organization was organized to develop all of the tributaries of the Big Tennessee River, the former to develop the Little Tennessee River area. These organizations were sponsored and promoted by the Tennessee Valley Authority.

2. *The Fort Loudoun Association.*—I am past president and a member of the board of directors of this association. It is an eleemosynary corporation whose members give of their time and money in the restoration of old Fort Loudoun, which was originally built in 1756 by the colonists on the Little Tennessee River near the mouth of the Tellico River. It was built for the purpose of protecting the English colonies from the French and Indians during the French and Indian War. This old fort is fast becoming a big historical attraction. More than 10,000 visitors went through this fort last year. The building of the Tellico Dam will ruin the settling of this old historical site, even if TVA builds a dyke to protect it.

3. *Tennessee Travel and Tourist Promotion Council.*—I was appointed to this council by the Governor of Tennessee, and am a member of the executive committee. This organization is active in promoting and making plans for tourist travel in the State of Tennessee.

4. I am also a member of the Tennessee-North Carolina Joint Road Commission, known as "Cherochala Commission." This commission was appointed several years ago by the Governors of Tennessee and North Carolina. Former Governor, Buford Ellington, made the appointment of the Tennessee members. I have been reappointed to that commission this year by Gov. Frank Clement of Tennessee. Our duties are to plan and promote that building of access roads into the Nantahala and Cherokee National Forests as well as Joyce Kilmer National Forest. Through our efforts your Appropriations Committee, 2 years ago, made an appropriation to start the construction of a road from Robinsville, N.C. to Tellico Plains, Tenn. Some of this construction is now underway.

Not only have I given my time and efforts to these and other worthy projects in this area of Tennessee, also I have been a loyal supporter of the Tennessee Valley Authority. While I was a member of the Tennessee House of Representatives in 1935, at the request of representatives of the Authority, I secured the passage through the house of representatives six bills sponsored by the Tennessee Valley Authority. I am still a supporter of the Tennessee Valley Authority and am not here for the purpose of trying to destroy the Authority.

I am here in opposition to the appropriation to start the building of the Tellico Dam because I am a friend of the Authority, and am sincerely convinced, after a careful study of all angles, both pro and con, of this question that TVA is making a mistake in its intention to build it. In fact, I am convinced that if this dam is built it will hurt TVA. I own no property to be taken by this project and am in an unbiased position to pass judgment on this proposition.

Heretofore, the dams built by TVA have been justified under power production and flood control. Congress and the people of the Nation were assured that the funds appropriated to build these dams would be repaid to the Treasury in a certain number of years in revenues received from power production and savings from flood damage to the areas effected. Also, that these projects were based on sound business principles to demonstrate to the power companies and people over the rest of the Nation just what it costs to manufacture electricity and what should be a reasonable rate to charge the public for such power. In other words, cost of manufacturing electricity by TVA was referred to as the "yard stick." For these reasons the people of the Nation have supported the Tennessee Valley Authority.

The Tellico project is not justified under power production. The additional 200 million kilowatt-hours to be manufactured by reason of the Tellico Reservoir is insignificant compared to TVA's total output of 73,368 million kilowatt-hours. It would be less than 2 percent of the kilowatt-hours now being manufactured by the Kingston steamplant. In understand that the most of the kilowatt-hours now produced by TVA is by steamplants.

Flood control is also a minor item under which to try to justify this project. Everyone familiar with the Little Tennessee River knows that there is no flood control needed on it. TVA announced that several years ago. In many speeches Mr. Wagner, Chairman of TVA Board of Directors, has made to various organi-

zations over this area in behalf of the Tellico project in the last year, he has stated that there would be only minor flood control as far down as Chattanooga. Not sufficient to justify this project.

Since this project is not justified under power production and flood control, just what is the justification for building this dam? This gets down to the real difference between the Tellico project and other projects built by TVA. The real issues between the TVA and the opponents of the dam.

First: TVA claims that one of the reasons why the Vonore area has had no industries to locate there up to the present is because there are no suitable industrial sites there and that the lake will make suitable industrial sites there.

This is untrue. There are more than 5,000 acres of good, suitable industrial land available there now for industries. It is good, level land, not subject to floods and adjoining or reasonably near the L. & N. Railroad, its main line between Cincinnati and Atlanta. This land is on, or near to, the river where there is plenty of fresh, clean, clear, and cool water. This water comes out of the mountains and is not polluted like the waters of Fort Loudoun Lake to which the Tellico Lake will be joined when the dam is built. This land adjoins, or is reasonably near to, U.S. Highway 411. There is also a large natural gas line through this area at Vonore.

In the event the Tellico Reservoir is made, all of these good level industrial sites will be covered by water, and all that will be left for industry will be the tops of the hills, very unlevel land.

Gentlemen of the committee, this is one of the issues that should be settled by this committee, or some other disinterested group of persons, before this appropriation is made.

Second: TVA claims that another reason why industries haven't located at Vonore is because the landowners haven't been willing to sell them land for the industrial sites.

This is not true. In this record are several letters of landowners who own good industrial sites adjoining the railroad, highway and river. They state that they are and have been willing to sell their land at reasonable prices to industries. Mr. Ben Clark, who owns around 600 acres located on the railroad, highway, and river, states in his statement to the committee that he has given options on more than one occasion to prospective industries for locations on his land. I personally know of several companies, and have been told by reliable persons, of several other companies who have considered locating on these sites. I know of several of them going to see the TVA officials and abandoned the location when they learned that TVA would make no assurance that the dam would not be built.

Third: TVA claims that by creating the Tellico Reservoir and making it navigable for barge transportation it will bring certain industries to the Vonore area within the next 25 years. I take issue with the prediction that the water transportation will bring industries. Nobody would like to see industries come to this region more than I, but I am sincerely convinced, after travelling up and down what we call the "Big" Tennessee River, and seeing the unoccupied industrial sites on that river, that building of this reservoir and the waterway will not bring industries to this area. In fact, I soundly believe that building the lake will retard the location of industries there. We are more likely to get pharmaceutical industries or other industries which want cold, clean water than industries wanting river transportation.

The only industry using barge transportation above Chattanooga on the Tennessee River, or any of its tributaries above Chattanooga, is Bowaters Southern Paper Corp. on the Hiwassee River about 75 miles by water south of Vonore. A study of the timber resources in the region will show that we cannot hope for another Bowaters at Vonore. There are six different pulp mills taking pulpwood from this area. Bowaters spent thousands of dollars in building a spur railroad from their plant at Charleston to Etowah in order to get the pulpwood direct over the L. & N. Railroad. Hiwassee Land Co., a subsidiary of Bowaters Southern Paper Corp., has bought up and planted in pines all of the spare land in this area, so that it will be more than 25 years before we can hope for another pulp mill like Bowaters in this area.

Noted industrial engineers disagree with TVA's prediction that barge transportation will bring industries.

In 1962, the Metropolitan Planning Commission of Knox County secured a grant through a Federal agency in the amount of \$180,000 for the purpose of making an industrial survey of the Knox County area. Hammer & Co., Asso-

ciates, Inc., noted industrial consultants, of Washington, D.C., were employed to make this survey. The survey was completed and a report was made to the Knoxville Metropolitan Commission in November 1962. A copy of this report is filed in the record of this hearing.

I would like to call your attention to page 177 of said report, which reads as follows, and I quote:

"REEXAMINATION OF WATERWAY POTENTIALS

"The potential development of industries directly tied into waterway transportation was not regarded as a major factor in the future economic growth of Knox County.

"In considering the potentials of local industrialization based upon waterway transportation, several obvious facts stand out:

"1. Only minor use has been made of the Tennessee River system for transportation purposes in Knox County up to the present time. A typical list of bulk tonnages has been involved—primarily petroleum products upstream into the area and primarily sand, gravel, and coal downstream. Nothing significant in the way of local industry has developed based on water shipments either inbound or outbound." End of quote.

Gentlemen of the committee, I also call your attention to page 179 of said report, which reads as follows, and I quote:

"The question is: What of the prospects for Knox County and its location on the headwaters of the Tennessee River system? It must first be recognized that the lack of major water linked development up to the present time has been no accident. Points on the river to the south from Chattanooga east have been more strategically located to develop water linked industries that could be tied into the new industrial complex of the Southeast, particularly the Piedmont region. Generally, Knoxville has offered no competitive cost advantage with its river location." End of quote.

I also call your attention to page 180, which reads as follows, and I quote:

"In broad view, it now appears that the river is not likely to become a major factor in Knoxville-Knox County's economic development in the future as it relates to transportation." End of quote.

Gentlemen, the above report applies to Vonore as well as Knox County. If you examine the map of this area you will see that it is about the same distance from the proposed mouth of the Little Tennessee river up the Tennessee River to Knoxville as it is from the mouth up the Little Tennessee to Vonore. In fact, it is only a few miles from the mouth of the Little Tennessee to the Knox County line.

There are many good industrial sites between the mouth of the river and the city of Knoxville. The Southern Railroad and U.S. Highway 11 parallel the river in many places along this main river, which has had a wide barge channel ever since the Fort Loudoun Dam was built, yet no industries have located there. How could one expect industries to locate at Vonore, much farther away from the city of Knoxville, and up a smaller channel where the rate charged by barge companies is one-third higher than up the main channel?

Dr. Sam Harrison of Loudon, Tennessee informed me recently that the city of Loudon has a 500-acre industrial park. It is located on the main channel of the Tennessee River where docking facilities, etc., are available. Dr. Harrison is a member of the Loudon Chamber of Commerce and has charge of this park. He advises that over a period of years since the park was acquired that many representatives of industries have inquired about this park, but that none of them wanted to know about water or barge transportation. None of them were interested in water transportation.

Fourth: The fourth claim by TVA is that the potential for development of this area will be greater after the Tellico Dam is built than it would be if the dam is not built.

The opponents of this project believe just the opposite. Even if the dam did bring some industries over a period of 25 years, as TVA claims, which for the reasons given I do not believe, it is very doubtful that the benefits to the section of the country would be as great as the damage. Other industries wanting the cold, clear, running water may overbalance what the reservoir would bring, and at the same time allow the more than 300 families (more than a thousand people) to remain on the land where they are earning their living. The income that the farmlands bring in to the area in the sale of timber cut each year, the income

from approximately 35 grade A dairy farms, sale of tobacco from 120 acres, hogs, corn, grain, hay, soybeans, beef cattle, etc., all amounting to \$2,849,250 per year, will still come into the area, and we would have our industries, too.

The above-mentioned income coming into the area amounts to more than \$71,231,250 over a period of 25 years.

As a member of Tennessee Travel and Tourist Promotion Council, I am fully aware of the great potential the 33 miles of this beautiful stream—one of the few left in east Tennessee—has for tourist attraction. TVA already has 22 dams within a 50-mile radius of this site, and tourists have all of the warm water lakes they desire without constructing this reservoir. In fact, all over the country lakes are being built until no tourist wants to go away from home to find a lake. That's why the fishing licenses for out-of-State fishermen have declined in the last years. But the novelty of a fresh, clean, running stream, stocked with trout, will be a big attraction. Look at the millions of dollars brought into the White River region of Arkansas by trout fishermen alone. The game and fish biologists say that this can be made another White River. You can read the evidence of a game biologist in this record.

And we have Fort Loudoun, which will be ruined by a mud dike around half of it, would have all of the beautiful river view taken away, and would be entered by a 4-mile detour, which would ruin it. It is the first English settlement west of the Allegheny Mountains, and first in Tennessee history. Its tourist attraction would be ruined.

The site of the Indian village of Chota, which was the capital of the Cherokee Nation for hundreds of years, would be saved if the dam is not built. So would the site of the Indian village of Tennessee, or "Tanase," from which the two rivers and the State of Tennessee got their names. The site of Tuskegee, where Sequoya was born, the author of the Indian syllabary, which enabled the Indians to learn to read and write in 2 weeks' time, and for whom the Sequoya trees in California are named would be saved. His statute is in the Hall of Fame in the Capitol.

There are many other reasons why this dam should not be built, many of which are set out in the Tellico Dam fact sheet and the Little Tennessee River fact sheet, which are filed in this record.

Gentlemen of the subcommittee, I urge you to recommend to the whole committee of the U.S. Senate that no money be granted for the Tellico project. However, if there is any doubt about the wisdom of this project, I suggest that you recommend that it be taken out of the budget until a committee from this body can go to the area of the project and make a thorough investigation of this matter and determine the advisability of this project.

Mr. Chairman, and gentlemen of the subcommittee, I sincerely appreciate your patience and courtesy in hearing me on this matter.

S. K. HICKS,
Madisonville, Tenn.

STATEMENT BY MRS. GRACE McCAMMON

OPPOSITION TO TELlico PROJECT

Mr. MOSES. Mr. Chairman, I would like you to hear from Mrs. Grace McCammon, one of the residents of the area. Come around, Mrs. McCammon.

Mrs. McCAMMON. Yes, sir.

Senator HILL. Mrs. McCammon.

Mrs. McCAMMON. Mr. Chairman and members of the Senate committee, I feel very honored to appear here before you in the Capitol Building of the greatest Nation on earth. I am just a country woman. I own a farm. When I come into this city, I stand in awe of it and its beauty and its splendor. No one knows unless they have been living out of these places and just out in the country what it means to be able to see and to know how our Government is carried on.

You have heard the report of these other delegates on this Tellico Dam project. We the people of Little Tennessee River Valley would

not be here if we felt that this land was necessary. I am only a widow who will be forced out of my home and off my farm if this dam is built.

Senator ELLENDER. How much land do you own, ma'am?

Mrs. McCAMMON. 136 acres.

Senator ELLENDER. How far are you from the riverbank?

Mrs. McCAMMON. My land goes around the riverbank.

Senator ELLENDER. On the river?

Mrs. McCAMMON. Yes.

FLOODING BY RIVER

Senator ELLENDER. How often has that river flooded, say, in the last 10 years, 15 years?

Mrs. McCAMMON. I have been there 28 years, and I have never yet seen it flooded except just up the Spring Branch. Sometimes the water, when we have those hard rains they fill the valley from above. But then it goes on off in the river. But the river bottoms have never been flooded in the 28 years I have been there.

Senator ELLENDER. Well, have you ever lost any crops or anything?

Mrs. McCAMMON. There is just one little place that has been drowned out along the Spring Branch, where water has stood after the water went down. It has never amounted to anything, so we decided it was best just to keep it in pasture, and that was all right.

Senator ELLENDER. Was that because of the construction of the dam up the stream that somebody spoke of?

Mrs. McCAMMON. That it hasn't been flooded?

Senator ELLENDER. Yes.

Mrs. McCAMMON. Well, they say that we used to have floods before they put in—before the dams above were put in.

Senator ELLENDER. That is what I understood. And that has been your experience?

Mrs. McCAMMON. That has been my experience as I say, and I have lived there over 28 years in the same place.

BREATH OF THE MORNING

When I arrive early in the mornings and start my day's work, I am refreshed as I breathe that cool mountain air. We are not too far away. And I call it the Breath of the Morning. As you breathe that and go forth to do your day's work, and as I watch the sun coming up over the mountains in the east, I am grateful, for I realize that the great Americans of many generations have been able to stand in the same place and watch the same sun come up as they earned their living by the sweat of their brow.

Will future generations have the same privilege, or will this fertile land and this valley be covered forever with water?

Those who have tried to make their living on thin soil understand the language that I am trying to give to you today. We have tried it, and we know the difference.

Those who would flood this fertile valley do not love the soil as I love it. It becomes a part of you, like the blood flowing through your veins.

FORT LOUDOUN DAM

Several years ago I witnessed my father being forced out of his home and farm with a TVA dam.

Senator HILL. Which dam was that, Mrs. McCammon?

Mrs. McCAMMON. That was the Fort Loudoun Dam.

He bought land about 3 miles away, in order that he could use land for pasture. After he bought this land, he had to build two new houses. They don't have houses on it, because the bottom land of this place was always flooded that he bought, but he built these two houses, and it was during the war, and he had a difficult time getting the houses started, because back then the permits were very slow being issued. During this time, these many months, my mother was gravely ill and passed away.

This dam brought electricity to the rural area, and it was needed and appreciated.

No one knows unless they have lived back in those times, how people on the farm lived. We had no conveniences. We pumped our water from the hand well. We used kerosene lamps, and all those things.

I am here in behalf of all those in this Little Tennessee River Valley who do not wish the dam to be built. I have lived there more than 28 years. Seldom has the rain failed to come; and the black sandy loam of the river bottoms compares with the rich land I have seen in southwestern Kansas, only they do not have the rains each season of the year that we have.

Why cover up this good land, this good, productive land, and force people out who, like myself, have lived all their lives on the farm. They are not privileged to make their living at any other occupation. Why force them out to search for work wherever they can find it, which no doubt will be less productive, on less productive land.

INHABITANTS OF AREA

Many of my friends and neighbors who were renters a few years ago now own their land and homes, and have reared children who also own their homes. Some of these people lived on our farm. One of the families reared eight children, all respectable, upright citizens. The father is now crippled and unable to work, and bought a house and a few acres of land in this area.

It is very sad for me when I think of them trying to search for a place to go to, when he can scarcely walk around in the house.

Two young couples in the area bought land and built their own homes for themselves. One couple operated a small dairy farm. The husband worked for a large company. The wife worked all day on the house, and when the husband came home, they worked together building the house, working on it till the late hours of the night.

I saw the wife nailing on asphalt roofing shingles while the husband was at work. This is the kind of people we have in this river basin.

We hear of poverty. I have yet to hear that any of these people around us go to bed hungry. They have electricity, they have power lawnmowers, they have frozen food lockers and refrigerators, they have electric washing machines, and cars, radios and televisions. Are those the symbols of poverty?

I wish it were possible for each one of you, along with President Johnson, to spend even 1 day touring this valley and meeting these people who are opposed to this dam. If you did, I don't believe that a one of you would ever vote for this dam to be built.

This controversy over the Tellico Dam has revealed to me more clearly than ever before the importance of knowing better the candidates we elect to every public office, that America may be always the land of the free and the home of the brave.

Thank you for your consideration and your time. We trust that you will stay with us.

Senator HILL. Thank you, Mrs. McCammon.

Mr. MOSES. Thank you.

STATEMENT OF JUDGE BEN SIMPSON

With the chairman's permission, I would like to file a statement of Judge Ben Simpson. He is the county judge of Loudon County. He wanted to be here today in opposition to this.

Incidentally, Loudon County is the county where the dam will be built.

Senator HILL. All right, we will have that statement filed.
(The statement follows:)

What shall be the effect upon Loudon County, its people and its economy if TVA should build the "Tellico Dam"? As county judge I must answer that question, dispassionately and deliberately, or "lose face" with myself as said county's fiscal agent. Wistful thinking will not suffice.

Heretofore, Loudon County, small in area, has lost thousands of its acres of productive, fertile soil to the backwaters of TVA's Watts Bar and Fort Loudoun Dams on the "Big Tennessee". There was justification for those impoundments, despite the loss of vast fertile areas. There is no such justification for TVA's proposed impoundment of the waters of the "Little Tennessee." TVA has admitted there is no real necessity for the so-called Tellico project. In a conference with the writer, TVA's Directors admitted that neither the generation of electric current, flood control nor water transport necessitates the proposed undertaking.

However, at said conference it was intimated, or clearly left in inference, that in "two and a half decades" the area around upriver Vonore in Monroe County could become a mecca of industrialization.

Such a conclusion cannot be supported on a factual basis. It is a mere conjecture. This indulgent assumption, however, begets a second question: What will happen to Loudon and Monroe Counties in the two and a half decade interim?

Surely, the most ardent "fast-buck" specialist would not argue that no ill consequences would follow the displacement of hundreds of farm and dairying families, their tenants and their families in turn. The impasse of such a mass exodus upon the economies of the two county governments primarily affected is difficult to comprehend. While I am nowise "sharper" than any other man of comparable age, my job has taught me the precarious plight of Tennessee's rural counties; that any diminution of taxable properties entails an increase in the county tax rate, already an onerous burden in Loudon County.

Of course, TVA will pay certain tax-equivalent and in-lieu-of-tax payments to the counties affected, but such payments are in nowise commensurate with the true tax loss. For example, such payments made to Loudon County by TVA as a consequence of lands submerged by the backwaters of the Watts Bar and Fort Loudoun Dams falls far short of the sum of the tax revenues that would accrue to Loudon County if the inundated lands were presently assessable at the present, ever-increasing county tax rate. TVA's tax-loss payments on the lands submerged are calculated on the basis of a tax rate much less than the sum levied today.

Too, the improvement of lands and the erection of buildings thereon provide a source of new county taxes. There can be no increase in the value of lands under water. The loss of county taxes that would have followed the improvement of submerged properties, had these lands been left subject to increase in value by improvement and the ever-growing demand for land areas, must be borne by land owners whose properties are still above water.

The long dead Tennessee Electric Power Co., for the privilege of transporting electric current over Loudoun County's land surface, paid local taxes comparable to TVA's tax-loss payments, and said private utility owned no lands therein, submerged not one square foot of its surface, and had no dam or generator within its boundaries. Its comparable taxpayment was on its wooden-pole transmission properties. Moreover, said private company's were made upon a tax rate of less than \$2 per \$100 of assessable value for taxation as compared with the county's present tax rate of \$5.72.

Under the "Tellico project" proposal TVA will acquire by condemnation lands adjacent to the waters of the new dam's impoundment for the avowed purpose of controlling the usage of such "buffer areas", to provide industrial sites, and to resell at tax-exempt profits to offset the cost of the project.

Without comment as to the political and legal aspects of such an undertaking by condemnation, suffice it to say: There is an abundance of industrial sites on the waters of the Watts Bar and Fort Loudoun embayments peculiarly suitable for manufacturing, processing and other industrial uses, sites offering arterial highway access, rail and water transportation, and a labor potential in excess of that of the Vonore area.

A third question rears its factual head: Who is to pay the tremendous costs of road relocations? New and circuitous routes of traffic must be devised and constructed unless vast numbers of people are to be left isolated, a condition that would drastically lessen the assessable value to their real properties. Already the routes of traffic movement is a problem of the greatest inconvenience to Loudoun countians because the county is divided into three separate parts by the waters of the two rivers that flow across it, the "Big Tennessee" and the "Little Tennessee." The creation of a new lake will aggravate the problem.

It is significant that Loudoun County's quarterly county court refused to adopt a resolution urging the building of the proposed dam.

It should be noted that the writer has no personal stake in the matter, owns no property in the area in question, and has no relative by blood or marriage who owns any such property.

Lastly, gentlemen of the committee, I wish you could hear a Loudoun or Monroe native say "The Little T." There's affection, even reverence in the way it is said. So, no wonder their slogan became "Save the Little T."

Respectfully submitted, this May 14, 1965.

BEN SIMPSON,

County Judge, Loudoun County, Texas.

STATEMENT OF MISS ALICE MILTON

HISTORIC PRESERVATION IN TENNESSEE

Mr. MOSES. With the last few minutes we have, I would like you to hear from Miss Alice Milton.

Miss MILTON. Mr. Chairman, members of the committee, I will be very brief. Would it be too disturbing if I stood?

Senator HILL. Just whatever you wish.

Miss MILTON. Thank you.

My presentation, Mr. Chairman and members of this committee, is in the interests of the historic preservation in Tennessee. I work professionally in this field and am associated with many organizations throughout the State engaged in similar endeavors.

Tennessee has a historical commission created by an act of its legislature. This commission advises and supports accredited historic organizations in their preservation efforts. Among such historic sites

in this program are: Rocky Mount in Upper East Tennessee, the Hermitage, the Home of Andrew Jackson, and Fort Loudoun in the valley of the Little Tennessee River, a trade post built by the English colony of South Carolina in the heart of the Cherokee towns.

In 1964, the historic sites of Tennessee attracted 4 million visitors, and the historic sites are not without their economic value. But the preservationists are concerned with the historical values, so we are gravely concerned over the threat of the floodwaters to Fort Loudoun and the Cherokee townsites in the Tennessee River Valley.

RESTORATIONS

It is said by the national trust that to impair the original setting of the historical restoration destroys its historical value. Archeologists say that 8,000 years ago there were people in this valley and then came the mound builders in the early 1500's. The Cherokees settled here, and for 300 years they developed a civilization. This large Indian population was the reason for placing Fort Loudoun trading post in this area.

The restoration is a mute fragment of England's great society of the 1700's. She was colonizing around the world, competing with the French for world trade. Her colonies were India, Australia, South Africa, and North America, where 13 Colonies were strung along the seaboard. Those Colonies were furthering England's trade program by trade outposts, such as Fort Loudoun.

CHEROKEE INDIANS

The Cherokee ceded 700 acres of their land by the Little Tennessee to establish trade and settle those English families. That was the permanent English settlement west of the Appalachian Mountains.

Here in this river valley are the largest and earliest chapters of her history. Our State and two principal rivers take their names from Tennesitown, an ancient Cherokee settlement.

Many of the foreign people living there today are descendants of those who lived there 187 years ago and made it possible for a document to be drafted declaring "We the people." Is it well that neighbors of these people be permitted to take over the lands and homes and make a development of their own fashion? Be it said to the shame of our country, we did it with the Cherokee Indians.

This community very proudly supports the historic site of Fort Loudoun and cherishes the treasure of Cherokee history and heritage.

Mr. Secretary Udall in his book, "The Quiet Crises", says:

We cannot afford an America where expedience tramples upon esthetics, and development decisions are made with an eye only on the present.

Thank you, sir.

Senator HILL. Thank you, ma'am.

ECONOMY OF AREA

Mr. MOSES. Mr, Chairman, in closing, I would just like to make one little statement, and then we are through.

Senator HILL. Make it brief, if you please, sir.

Mr. MOSES. I will do that.

Mr. Jenkins and the TVA would have you believe that this is a poverty-stricken area. Figures from the Tennessee Banking Association reveal that the bank deposits increased in the nine banks serving the tricounty area from 1958 to 1964 by 74 percent. The increase in the entire United States for the same period was 32 percent, and the State of Tennessee 37 percent. In other words, the so-called failing economy in Blount County and Monroe County had bank deposits of over 36 percent greater than the State average, and 40 percent greater than the increase in the deposits of the United States.

Gentlemen, we thank you for hearing us. We ask you to do this, as friends of TVA, as we are friends of TVA: Delay this matter. If you pass it by this year, it is only for a 6 months' period. It will be up again in 6 months. Give the Department of Interior a chance to stay the matter. Give TVA a chance to study with its \$100,000 the pollution factors, because I know they will be fair in their report of this. And let's come back here next year and reconsider this matter.

Senator ELLENDER. Do you know whether or not the Interior Department favors this dam?

Mr. MOSES. I don't know what the report is. I just know that the study is being made, and it has not as yet been released.

I urge the committee to investigate this matter.

Senator HILL. Mr. Alex Radin?

STATEMENT OF W. A. BROMLEY ON BEHALF OF AMERICAN PULPWOOD ASSOCIATION
OPPOSITION TO TELlico PROJECT

Mr. MOSES. Here is one statement we forgot to hand in, Mr. Chairman, that we want to be made a part of the record, please.

Senator HILL. All right, sir.

(The prepared statement of Mr. Bromley follows:)

The American Pulpwood Association representing more than 400 wood-using industries, pulpwood dealers and producers throughout the United States is well aware that permanent forest industries are essential to our Nation's economic security and welfare. Equally important, we realize that the wide use of our forest resources is vital to the maintenance of the wood processing industries and the communities dependent upon them.

Therefore with private enterprise and initiative increasingly providing effective profitable management use and renewal of privately owned forests, it is our position that it is sound national policy that the greatest possible share of forest land should remain in private taxpaying ownership.

The Tennessee Valley Authority has proposed construction of a dam on the Little Tennessee River that would remove more than 15,000 acres of forest land from the tax rolls.

There is already a tremendous amount of government-owned land in the East Tennessee area. At the headwaters of the proposed Tellico Lake there are two vast Government holdings: the Great Smokey Mountains National Park and the Cherokee National Forests. Removing even more land from the tax rolls in the area, as proposed by the TVA, would put even greater tax burden on private landowners.

ROSE ISLAND NURSERY

In addition to the private forest land that would be lost if this proposed dam is constructed, the second largest industry nursery in the South, with an annual capacity of 30 million forest tree seedlings, would go underwater. Also lost would be 35 acres of pine seed orchards, where 8 years of forest genetics research has been done under the direction of Dr. Bruce Zobel, forest geneticist, North Carolina State University. Loss of this genetic study would be particularly

serious in view of the fact that demands upon forest land are increasing rapidly. As more and more forest land is lost to recreation, impoundments, highways, power and gas line rights-of-way, and other urban development, the need to produce more and better fiber on a given area become more vital than ever before.

Professional foresters have long been aware of this alarming annual loss of forest land to other uses. Recently the Kentucky-Tennessee section of the Society of American Foresters, in a resolution opposing construction of the proposed Tellico Dam at this time, noted that the "population of the United States is expected to double in the next 40 years, thereby critically increasing the need for food and fiber to maintain our standard of living * * *"

The group pointed out that "once a lake is impounded, the land and river-oriented values cannot be recovered if desired, but if maintained as a river, the impoundment potential would remain for future consideration * * *"

STUDY BY DISINTERESTED PARTIES

The TVA recently stated that there are at least two ideal papermill sites available in the Tennessee Valley, and encouraged development of these sites. Thus, on the one hand, the TVA proposes to attract additional wood-using industries to the area, while at the same time the Authority continues to propose the removal of the raw material base required to sustain such operations of which the nursery and seed orchard are of special significance.

Taking all these facts into consideration, and the questionable benefits to be derived from the proposed Tellico Dam and Lake, we therefore respectfully submit that a more comprehensive study by disinterested parties from outside the area be made of the entire Little Tennessee River Valley. To our knowledge, detailed calculations of the cost-benefit ratio of the proposed dam have never been made available to the public. A study by an outside disinterested group could determine if the impoundment benefits truly outweigh the unique natural potential of this valley.

STATEMENT OF ALEX RADIN, GENERAL MANAGER, AMERICAN PUBLIC POWER ASSOCIATION

SUPPORT OF TELlico PROJECT

Senator HILL. Proceed, Mr. Radin.

Mr. RADIN. My statement is rather brief. If it is agreeable to you, I will read it.

Senator HILL. Go right ahead, sir.

Mr. RADIN. All right.

My name is Alex Radin and I am general manager of the American Public Power Association, the national organization of the Nation's local publicly owned electric utilities. APPA represents more than 1,200 municipal and other local public power systems in the 45 States and Puerto Rico. Our membership includes most of the municipal power distributors in the Tennessee Valley who obtain their power supply from the TVA.

I want to urge your committee to restore the \$5,775,000 budgeted by the President to start construction of Tellico Dam on the Little Tennessee River, both because of the project's immediate impact upon the power supply of our members in the TVA service area, and because of our association's broader interest in the comprehensive development of our Nation's water resources.

The Tennessee Valley Authority represents the comprehensive development concept at its best. TVA serves as a model for developing nations seeking to make use of their rivers for the benefit of their citizens.

The Little Tennessee River is one of the most highly developed streams in the United States, with 18 dams on the river and its tribu-

taries. With the construction of Tellico Dam, previously known as the Fort Loudoun extension, TVA's plans for development will be completed. Tellico Dam, as you know, would be located just above the mouth of the Little Tennessee River, and would feed water through a canal to the Fort Loudoun powerhouse on the Tennessee River, increasing the power output at Fort Loudoun by about 200 million kilowatt-hours of electricity annually.

This is a truly multipurpose project. Even the canal would be multipurpose, providing a navigation channel between the Fort Loudoun lock and Tellico Reservoir.

BENEFITS FROM TELLICO PROJECT

The most important benefits of the Tellico project would come from the creation of the reservoir itself.

Here, in an area of meager industrial development, the coming of a new lake will bring new tourists and, according to TVA, provide excellent sites for new industry.

The municipalities participating in our association, including those located in the Tennessee Valley, are actively seeking new industry as a desirable load for their electric systems, and as a source of new prosperity for the communities they serve. The development of new industry in the vicinity of the Tellico project will, in itself, benefit our member systems.

AVAILABILITY OF LOW-COST WHOLESALE POWER

Even more important to them, of course, is the continued availability of low-cost wholesale power from the TVA, their only source of bulk power supply. Rapidly growing electric loads throughout the Tennessee Valley make it imperative that TVA follow a careful time schedule in adding electric capacity to its generating system.

I believe that the reputation for the TVA staff for careful planning is well deserved. Over the years, the consumer-owned distribution systems which rely upon TVA for power have been furnished an abundant supply at low cost. Even during war emergencies TVA has met its responsibilities to the people of the Tennessee Valley. This has not come about by accident, but results from constant attention to long-range planning.

PROJECT FEASIBILITY

Thus, in proposing the construction of the Tellico project at this time, TVA again is looking to the future. The feasibility of the project has not been questioned. It has been part of the overall plan for development of the Little Tennessee for many years. A ready market exists for the added power which will come from the project. The need for economic stimulation of the area in which it will be located is evident.

RECREATION POTENTIAL

It should be noted that the recreation potential of Tellico is greater than for most multipurpose projects. The headwaters of the lake would reach the edge of Great Smoky Mountains National Park, and Cherokee National Forest would form part of the shoreline of the

reservoir. The reservoir would be accessible by major highway to population centers of the Eastern States as well as the Midwest and South. Tellico Lake could provide good camping sites, homesites, and pleasure resorts. Fishing promises to be excellent, and TVA believes that present opportunities for hunting waterfowl could be enhanced by appropriate use of the shoreline for waterfowl food production.

EVOLUTION OF PROJECT BENEFITS

An added benefit will be the increased flood control storage, which will be more than doubled by the operation of Tellico in conjunction with Fort Loudoun Dam. Flood control benefits from Tellico are estimated at \$10.4 million, power benefits at \$8 million, and navigation benefits at \$11.4 million, making up a major share of the total cost of \$42.5 million. TVA expects that land sales in future years will bring benefits of some \$10.9 million while the benefits from general economic development resulting from the project are estimated conservatively at \$16 million.

On behalf of the members of the American Public Power Association, I urge you to provide the funds necessary to begin work on this desirable project and to continue the comprehensive development of the water resources of the Tennessee Valley, so that the TVA can continue to be a source of pride and inspiration for all of the people of the United States, and, I might add, the world, too.

Thank you.

TENNESSEE POWER SYSTEMS

Senator HILL. Does your association represent many of the locally owned power systems, municipal and other local public power systems in Tennessee?

Mr. RADIN. Yes; it does.

Senator HILL. Are most of them in this area affected by the building of this dam?

Mr. RADIN. Directly or indirectly. Because all of them have a constant need for increasing power supplies at a low cost.

Senator HILL. All right. Thank you very much, sir.

Mr. RADIN. Thank you very much.

STATEMENT OF MISS CORINNE R. WHITEHEAD, RESIDENT PROPERTY OWNER IN LYON COUNTY

LAND-BETWEEN-THE-LAKES PROJECT

Senator HILL. Now, Miss Corinne Whitehead.

Will you come forward, please.

Miss WHITEHEAD. Mr. Chairman, and committee members: My name is Corinne Whitehead. I am a resident property owner in Lyon County, Ky., in the Land Between the Lakes area.

I respectfully request that TVA be prohibited from the taking of privately owned property for the Between the Lakes Recreation Area by condemnation; I urge that any funds appropriated to TVA for this project be denied in case of condemnation. I sincerely urge this committee to assure that property owners and residents of the Land Between the Lakes be treated in accordance with the policies extended

to landowners in all other areas where national recreation areas, national seashores and national parks are authorized by Congress.

I respectfully request that steps be taken to pass authorization legislation for this project in view of the gross misuse of power exhibited to date by the developing agency.

TVA IDENTIFICATION OF PROJECT

Please note that TVA identifies the project as "Land Between the Lakes—a Demonstration in Recreation Resource Development." It does not refer to the project as the "Between the Lakes National Recreation Areas."

Thus in the strictest sense it probably could not be regarded as a national recreation area undertaking, if hairs are to be split. The criteria laid down in the Recreation Advisory Council's policy bulletin of March 26, 1963, states in part:

National recreation areas should be in conformity with the national recreation plan prepared by the Bureau of Outdoor Recreation and shall take into consideration State, regional and local comprehensive plans.

The bulletin further states:

National recreation areas shall be established by an act of Congress.

By not actually being a national recreation area per se, but rather a demonstration in recreation resource development, TVA not only chooses to bypass congressional authorization of the project, they also set themselves up in an autonomous state to avoid conformity to or review by the Bureau of Outdoor Recreation.

DISREGARD OF PROPERTY RIGHTS

It is my opinion that TVA is in serious error by not seeking at least minimum guidance from the Bureau of Outdoor Recreation as well as executive and legislative history in the execution of this program. A demonstration project essentially paralleling a regular project should conform in basic measure to the policies affecting property owners and governmental units under regular projects.

These basic policies pertain to exchange of property, continued occupancy, condemnation, moving expenses, scenic easements, and most certainly public hearings and a humane regard for the landowners affected.

It is now estimated that TVA's Land Between the Lakes project will cost \$51 million. This is a substantial amount of money to assign to any agency for spending. I hope that Congress will not abdicate its right of legislative review of this project and that appropriate steps will be taken before it is too late.

LEGISLATION CREATING NATIONAL SEASHORES

I have for your comparison copies of three recent laws creating national seashores: Public Law 87-126, Cape Cod National Seashore, Public Law 87-657, Point Reyes National Seashore, and Public Law 87-712, Padre Island National Seashore. I also have copies of current legislation which will establish the Mount Rogers National Recreation Area in Virginia, H.R. 316, the Spruce Knob-Seneca Rocks National Recreation Area in West Virginia, S. 7, the Great Basin

National Park in Nevada, S. 499, the Tocks Island National Recreation Area in Pennsylvania and New Jersey, S. 36, the Cape Lookout National Seashore in North Carolina, S. 251, the Bighorn Canyon National Recreation Area, S. 491, the Guadalupe Mountains National Park in Texas, S. 295, the Nez Perce National Historical Park, Idaho, S. 60, the Pecos National Monument in New Mexico, H.R. 3165, the Agate Fossil Beds National Monument, S. 339 in Nebraska, the State of Michigan Sleeping Bear Dunes National Lakeshore, S. 936, the Oregon Dunes National Seashore, S. 250, the Whiskeytown-Shasta-Trinity National Recreation Area in California, H.R. 797 and the Flaming Gorge National Recreation Area, S. 92 and Indian Dunes National Lakeshore S. 360.

You will note that each law and current legislation defines the boundaries first, after full public opportunity for expression and hearing and congressional debate; that each provides various methods of acquisition including exchange of lands; that in most instances condemnation of residential property is prohibited. In most instances continued occupancy or tenancy of acquired property has been provided for 25 to 50 years. Gas and oil operations are allowed in some cases. Hunting and fishing rights, the right to develop and operate water-based recreational facilities including landing ramps, boat-houses and fishing facilities along the Yellowtail Reservoir has been reserved to the Crow Indian Tribe. You will note that scenic easements and county zoning, to assure a park atmosphere yet protect the landowner from acquisition, is utilized in many of the acts.

I am sure the laws cited above, the authorization legislation now pending before Congress and the expressed concern of our Senators, reflects the consistent attitude of Congress regarding acquisitions for park and recreational usage.

In contrast, TVA appears to be engaged in a vendetta against land-owners in the Between the Lakes Area. May I include for the record a copy of a complaint filed in Federal court recently against TVA and the Pennyrile Rural Electric Cooperative?

Senator HILL. What did you say about a complaint?

Miss WHITEHEAD. It is a copy of a complaint filed in Federal court.

Senator HILL. Do you want that folder?

Miss WHITEHEAD. Yes, please.

Senator HILL. All right.

Miss WHITEHEAD. Also, may I include a resolution by the county government involved?

Senator HILL. Very well.

(The documents referred to follow:)

UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF KENTUCKY AT PADUCAH

COMPLAINT

WILLIAM D. TRAVIS, ROUTE 2, EDDYVILLE, KENTUCKY, PLAINTIFF, VS. PENNYRILE
RURAL ELECTRIC CO-OPERATIVE, HOPKINSVILLE, KENTUCKY, TENNESSEE VALLEY
AUTHORITY, KNOXVILLE, TENNESSEE, DEFENDANTS

I

Plaintiff, William D. Travis, states that he is an owner of a tract of real estate in Lyon County, Kentucky; that he at the present time is a resident of Jackson, Tennessee; that the real estate is situated in the Cumberland River Valley, and that he has constructed on this real estate a residence.

II

Plaintiff states that the defendant, Pennyrile Rural Electric Co-operative, whose principal office and place of business is Hopkinsville, Kentucky, is engaged in the business of providing electrical power to the area in which his real estate is located; that the said defendant under the law of the Commonwealth of Kentucky is obligated to construct and provide electrical service for a distance of 1,000 feet without making an excess construction charge; and that the plaintiff's residence is within 1,000 feet of the facilities of the defendant.

III

The plaintiff further states that the defendant, Tennessee Valley Authority, whose principal office and place of business is Knoxville, Tennessee, supplies the power distributed by the defendant, Pennyrile Rural Electric Co-operative, under contract with said facility, and the Tennessee Valley Authority must approve all policies of the defendant, Pennyrile Rural Electric Co-operative.

IV

Plaintiff states that he applied to Pennyrile Rural Electric Co-operative to furnish his residence on Brandon Chapel Road, Route 2, Eddyville, Kentucky, with electrical service on the _____ day of _____, 1965, and even though said residence is within 1,000 feet of the facilities of the Pennyrile Rural Electric Co-operative, the defendant has failed and refused to provide the service; that said residence is of no value without electric service, and there is no other facility available to provide electrical service to said residence, and that the plaintiff has been damaged in the sum of One Hundred and Fifty (\$150.00) Dollars as of this date for loss of rental of said property because of failure of the defendant to provide said service. The plaintiff received the following letter from the defendant which is in words and figures as follows:

JUNE 16, 1965.

MR. WILLIAM D. TRAVIS,
127 McCorry Street,
Jackson, Tennessee.

DEAR SIR: We have your letter of June 10, 1965, in regard to the cost of extending service to your house located on the Brandon Chapel Road, Route 2, Eddyville, Kentucky.

You are no doubt aware of the fact that TVA is acquiring all of the property in this area for recreational purposes as directed by the President of the United States. Since we have already submitted to TVA a complete inventory of our facilities between the rivers and payment for these facilities when acquired by TVA will be based on that inventory and since any lines that are constructed in view of this development are temporary it is necessary that we charge for the construction of any additional facilities.

A survey has been made of the labor and material required for extending this service. This work has been assigned our work order L-17-2360. The total cost for providing service to this building will be \$219.23.

Before we could connect this electric service it would be necessary that the wiring in the building be inspected and approved.

If this meets with your approval, please forward to us your check in this amount and we will be glad to construct the line as soon as possible.

Very truly yours,

(S) Howard Wiggins,
HOWARD WIGGINS, *Manager*.

V

Plaintiff further states that the defendant, Tennessee Valley Authority, has by letter advised the plaintiff that they propose to condemn his real estate. Said letter having been dated March 26, 1964, and said letter was in words and figures as follows:

"Preliminary investigations indicate that you own certain land that will be required for the Land Between the Lakes Recreation Area. We hope this letter will supply useful information regarding TVA's land acquisition policies and explain how TVA will buy the land for this program. The land to be acquired lies between Kentucky and Barkley Reservoirs and extends from the canal con-

necting the two reservoirs on the north to a line generally following U.S. Highway 79 on the south from Paris Landing to Bear Creek, then in a northerly to easterly direction along the southern slope of ridges lying south of and generally paralleling Bear Creek to Barkley Lake.

"TVA engineers will survey each ownership and prepare maps showing property boundaries, buildings, fences, cleared and wooded areas and other important features of each property. Our appraisers use these maps when they inspect the property and prepare a detailed appraisal report that includes every element of value. Each owner will be invited and urged to accompany the appraiser during his inspection. Shortly after the appraisal report is prepared a supervising appraiser personally inspects the property and reviews the report. This procedure, which is followed in every case, makes sure that each property receives careful inspection and study by at least two impartial qualified appraisers who establish the final price.

"After the property is appraised and the purchase price established, a TVA land buyer will present a contract for purchase and sale to the owner. The price is a firm offer and the property cannot be purchased above or below this figure. The contract describes the property to be purchased and sets forth in detail all terms and conditions of sale. When the owner signs the contract it is sent immediately to a TVA title attorney and, following title examination, placed in line for prompt payment. Unless payment is delayed because of defects in title or to remove encumbrances, contracts for purchase are usually closed within 30 days after they are signed.

"Our experience over the years shows that this method of buying land assures every owner an opportunity to sell this property at a fair price established by an impartial professional appraisal. It also assures him equal treatment with other owners and prevents the inconsistencies that develop when land is acquired on a price-trading basis. During the past 30 years 95 percent of the property owners directly affected by the TVA land acquisition program have voluntarily entered into purchase and sale agreements. We believe this record is indicative of fair treatment and mutual cooperation.

"If the owner decides the offer is unacceptable and will not enter into a contract for purchase and sale, TVA files condemnation proceedings in the U.S. District Court serving the area in which the land is located. The issue of just compensation is then decided by an impartial commission appointed by the Court.

"Owners will be permitted to retain complete possession of properties sold to TVA until January 1, 1968, unless the properties are needed before that date for construction or for other programs. Owners who prefer to give possession prior to January 1, 1968, may do so. Unless otherwise notified, Owners who enter into contracts of sale will be permitted to remove all buildings, fences, and other improvements, provided this is done before the date fixed for giving possession.

"Normally, properties will be acquired in the order in which they are surveyed and mapped. However, requests for earlier purchase will be given favorable consideration when this can be accomplished without interfering with the engineering and acquisition schedules. As soon as mapping has progressed sufficiently to provide definite information regarding individual properties it will be made available in response to special inquiries and requests. We can assure you that our appraisal and acquisition policies and procedures have been developed with the landowners' problems in mind and that we will proceed with care as speedily as the circumstances permit.

"TVA's Land Branch district office for the land Between the Lakes Project is located on U.S. Highway 68, one-half mile west of Kentucky State Highway 453. The mailing address is P. O. Box 8, Golden Pond, Kentucky. Mr. I. M. Pitts, District Manager, or members of his staff will be available to help you in any way they can.

"We know that relocation and readjustment will create problems for many owners. In an effort to be helpful, TVA will provide assistance to owners and tenants in getting relocated on new farms or other properties outside the area if this is desired.

"With your cooperation we are sure we can accomplish a difficult task in a manner satisfactory to all."

Plaintiff further states that the Tennessee Valley Authority has by newspaper articles, radio and television programs and by word of mouth advised the people of the United States that they propose to take the area designated "Land Between the Lakes" for the purpose of a *recreation area*, and a copy of their prospectus in regard to this area is attached hereto marked "Exhibit A".

VI

Plaintiff further states that the defendants, Pennyriple Rural Electric Co-operative and the Tennessee Valley Authority, full well recognize that the Tennessee Valley Authority does not have the authority to condemn this property owned by the plaintiff; that they have entered into a conspiracy for the purpose of depressing the value of the plaintiff's real estate for the purpose of forcing him to sell his property to the Tennessee Valley Authority; that the widespread threats of the Tennessee Valley Authority have depressed the value of his real estate and all other real estate in this area designated "Land Between the Lakes"; and that this threat of condemnation is a cloud on the title of the real estate owned by the plaintiff and deprives him of the full enjoyment of same. Plaintiff further states that the proposed action by the Tennessee Valley Authority is arbitrary, capricious and in bad faith, and that both the defendant, Tennessee Valley Authority, and the defendant, Pennyriple Rural Electric Co-operative are acting in bad faith concerning the threatened condemnation of said real estate and denial of electrical service to the plaintiff.

VII

Plaintiff further states that the action of the defendants is in wilfull and wanton disregard of the rights of the plaintiff to the enjoyment of his property and same is denying him the free use of his property and he is suffering irreparable damage.

WHEREFORE, plaintiff prays for judgment against the defendants and each of them in the sum of One Hundred and Fifty (\$150.00) Dollars for the loss of use of his property; in the sum of Twenty-Five Thousand (\$25,000) Dollars for punitive damages; that the defendant, Pennyriple Rural Electric Co-operative, to be required to furnish electrical service to the plaintiff's property; and the defendant, Tennessee Valley Authority, be enjoined from further threatening to condemn the property of the plaintiff, and for all other relief that plaintiff may appear to be entitled to, and for costs herein expended. Plaintiff demands a jury trial.

J. GRANVILLE CLARK,
Attorney for Plaintiff,
Clark Building, Russellville, Ky.

Whereas since January 16, 1964 the Tennessee Valley Authority by harassment, incitement, threats of condemnation and threats of use of U.S. marshals has actively engaged in evicting citizens of Lyon County between the lakes from their homes, lands and properties, without authorization legislation from Congress for the Land Between the Lakes project; and

Whereas the Tennessee Valley Authority has singly and in conjunction with individuals, organizations and corporations prejudiced the best interests of Lyon County as a whole. Has deprived citizens of between the lakes of their peace of mind, their property rights and in some instances their property value and worth to the extent legal action is warranted; and

Whereas the Tennessee Valley Authority has acted capriciously, dictatorially, and unqualifiedly with bias in the determination to acquire every acre of privately owned land between the lakes in Kentucky; and

Whereas the Tennessee Valley Authority dictated the situation whereby all of the remaining privately owned lands between the lakes are to be in Tennessee and thereby acted in discrimination against Lyon County and the citizens thereof: therefore be it

Resolved by the Fiscal Court of Lyon County, the governing body of this county, That the full text of this resolution be respectfully conveyed to the two U.S. Senators, the Congressman from the first district, the Senate Appropriations Committee for Public Works and to the House Appropriations Committee for Public Works.

We respectfully petition for the reasons listed above and other valid reasons not stated herein that no further funds be appropriated to the Tennessee Valley Authority for acquisition of lands in Lyon County, Ky., for the Land Between the Lakes project.

We respectfully urge that the Tennessee Valley Authority be ordered to cease and desist from new land acquisition in Lyon County—after reaching a

mutual agreement and payment of those property owners with whom negotiations are now in process.

We respectfully and earnestly suggest that a congressional investigation may be warranted to determine if a monopoly on the remaining privately owned land between the lakes will be created by the Tennessee Valley Authority's contrived plan of acquisition whereby unusual benefits will accrue to a large and politically powerful corporation at the expense and hardship of the families evicted, the county and the Nation.

We have studied current acts before Congress which will establish national recreation areas over the United States. In no instance has damaging, ruthless acquisition and eviction been suggested by the Department of Interior or authorized by Congress.

We respectfully urge the transfer of the Land Between the Lakes project to the Department of Interior.

JUDGE FRANCIS UTLEY.

Magistrate: Travis.

Magistrate: Jones.

Magistrate: Ferguson.

EXCESSIVE CHARGES BASIS OF SUIT

Miss WHITEHEAD. This suit was filed as the result of the REA cooperatives' refusal to give electric service to residents of the area without payment for the electric lines, poles, the installation, depreciation on same, and the removal of the poles, et cetera, prior to connection. According to Kentucky law a cooperative is supposed to serve customers without a construction charge up to 1,000 feet. Many people have gone ahead and paid the excessive charges; others are still without electric service.

INTIMIDATION BY TVA

Other actions which we know are to intimidate and discourage any opposition to TVA's acquisition, include the cancellation of homeowners insurance policies by most companies. This can be traced directly to damaging and unwarranted publicity given by TVA through the news media regarding the people of the area, about 1 year ago.

I am informed that FHA mortgage insurance has been denied residents who wish to repair or build a house, because of TVA.

POSSIBLE DISCONTINUANCE OF ELECTRIC SERVICE

The statement that TVA will soon take over the electric service to the area served by the Pennyrite Cooperative, between the lakes, carries with it the implication that service will be discontinued. To the hundreds of families who depend on electricity to heat their homes, pump their water, for cooking fuel and everyday uses this threat is devastating.

TVA DECEPTION

One point which TVA emphasizes is the number of visitors to and use of the area. I am ashamed that any agency of my Government would stoop to such techniques of deception. TVA placed automatic counting devices across the highways in the area many months ago. Residents have been counted as they drive to and from work each day. We do not feel that we are visitors. Until recently residents accounted for most of the so-called visitors to the Land Between the

Lakes. All heavy truck traffic is now detoured off U.S. 62-461 and hundreds of automobiles of through traffic north and south are routed between the lakes, en route to the West Kentucky toll road. All of this traffic is counted as visitors. I am not sure what an 18-wheel truck would register on a counting device, however, I am sure it gives the impression of many visitors. Perhaps the only true indication of the use of the Land Between the Lakes would be to inquire of TVA as to the amount of money collected from users of the TVA development. A fee is charged by TVA and the total collected should be a fair indication of the real use of the area.

Sir, I think the time is running out. May I file the rest of the statement?

Senator HILL. You may.

Miss WHITEHEAD. All we ask is that we be given the same consideration that people are in every other area where these developments are taking place.

(The prepared statement of Miss Whitehead follows:)

JULY 16, 1965.

Mr. Chairman, committee members, my name is Corinne Whitehead. I am a resident property owner in Lyon County, Ky., in the Land Between the Lakes area.

I respectfully request that TVA be prohibited from the taking of privately owned property for the Between the Lakes Recreation Area by condemnation. I urge that any funds appropriated to TVA for this project be denied in case of condemnation. I sincerely urge this committee to assume that property owners and residents of the Land Between the Lakes be treated in accordance with the policies extended to landowners in all other areas where national recreation areas, national seashores, and national parks are authorized by Congress. I respectfully request that steps be taken to pass authorization legislation for this project in view of the gross misuse of power exhibited to date by the developing agency.

Please note that TVA identifies the project as "Land Between the Lakes—A Demonstration in Recreation Resource Development." It does not refer to the project as the "Between the Lakes National Recreation Area."

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I am sure the laws cited above, the authorization legislation now pending before Congress and the expressed concern of our Senators, reflects the consistent attitude of Congress regarding acquisitions for park and recreational usage.

In contrast, TVA appears to be engaged in a vendetta against landowners in the Between the Lakes area. May I include for the record a copy of a complaint filed in Federal court recently against TVA and the Pennyrile Rural Electric Cooperative? This suit was filed as the result of the REA cooperatives' refusal to give electric service to residents of the area without payment for the electric lines, poles, the installation, depreciation on same, and the removal of the poles, etc., prior to connection. According to Kentucky law a cooperative is supposed to serve customers without a construction charge up to 1,000 feet. Many people have gone ahead and paid the excessive charges; others are still without electric service.

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Land Between the Lakes would be to inquire of TVA as to the amount of money collected from users of the TVA development. A fee is charged by TVA and the total collected should be a fair indication of the real use of the area.

No doubt you will be overwhelmed with statements from TVA indicating that our people are falling over each other in their eagerness to sell. May I make a comparison? Condemned men usually walk from death row to the electric chair in some measure of dignity—not because they welcome execution but rather because all hope is gone.

All land acquired by TVA to this date has been under threat of condemnation. Repeatedly our people have been warned by TVA that U.S. marshalls and condemnation proceedings will be used if the property owner is not cooperative.

The most humble person between the lakes knows full well that under the TVA system he has no trial by jury. Therefore, no recourse to his idea of a fair hearing.

Those of our people who are being evicted by TVA from their property and who have desired to exchange their holdings for TVA owned land out of the project area have been totally rebuffed.

Yet a group of very influential people appear to have had a close working relationship with TVA on this project with the apparent objective of obtaining a very desirable motel site from TVA. This group includes bankers, contractors, politicians and officers of statewide organizations.

I quote from a prospectus distributed for the purpose of selling stock in a motel "All investigation and communications with TVA authorities have indicated that acquisition and operation of the boat dock properties is a necessary condition to the successful acquisition and development of the motel property. The organization of the corporation at this time is considered to be only the first step in the complete development of this property as originally contemplated."

Even the very nominal price of \$30,000 is mentioned for the 9.8 acre motel site.

Great influence, pressure and prestige has been forthcoming from this group on behalf of TVA's Land Between the Lakes appropriations.

At a very recent public hearing it was disclosed that access from Interstate 24 to the TVA project area will be fenced with no exits. Locally this is termed as TVA's iron curtain. On page 3, paragraph 11 of the prospectus I quote "The Interstate System (including 1-24 which is due to pass 3 miles north when completed) will funnel visitors from these States past the inn's front door".

TVA has referred many times to their study made in 1959 of the Between the Lakes Area in the three Tennessee counties. It is inconceivable that TVA could overlook approximately 110,000 acres of unpopulated woodlands which were evidently for sale. In July 1963 the woodlands were transferred to Kerr McGee Oil Industries of Oklahoma plus lands in Lyon and Trigg Counties, Ky.

It might make sense to utilize the woodlands as a demonstration in recreation. This could be on the same basis as demonstration farms were set up under TVA. The farms were left in private ownership.

Much emphasis has been placed on the educational aspects of the Land Between the Lakes project. This is commendable but not new. For about 25 years the Kentucky Woodlands National Wildlife Refuge has been used as an outdoor classroom. It has been freely utilized by college and university groups, area grade and high schools, scouting groups and any who desired its facilities.

It is our hope that the issues will be resolved on the merits and to the best interest on a long-term basis, of the people directly affected, the county, the State and the Nation. We are convinced there are greater areas of agreement than differences, in objectives of TVA and the local people. The preservation in private ownership of the few acres where the population is concentrated appears to be the basic differences.

TRI-COUNTY ORGANIZATION

In 1961 a preliminary development plan for a national recreation area was published by the Department of Interior, National Park Service. The plan generally met with the enthusiastic approval of the people most directly affected.

On June 14, 1963, the development of the national recreation area was turned over to TVA by President Kennedy. Numerous meetings had been held between our congressional representatives, the TVA, the Army Corps of Engineers, the

Department of Interior, and interested people from the area. Legislation had been drafted by the National Park Service in which boundaries were designated meeting the best interest of local people, county government, while accommodating the State and National interest magnificently.

Not until January 1964 after President Johnson signed the Public Works Appropriation bill did TVA announce the plan to acquire all privately owned lands, totaling approximately 103,000 acres between the lakes.

TVA's announcement was received with shock by citizens affected. Indeed, there is evidence that not even the Senators and Congressmen who had labored long for the national recreation area project and the appropriation of funds, were aware of TVA's secret decision to acquire all lands between the lakes. Senator John Sherman Cooper's statement to the TVA-AEC Subcommittee on Appropriations, June 26, 1964, confirms this shocking fact.

Immediately following TVA's announcement, the citizens and residents who would be dispossessed formed the Tri-County Organization. The people vitally needed an organization through which they could express their opposition and resentment to the sweeping eviction of 3,000 to 5,000 men, women, and children.

Practically every citizen of the area expressed sympathy with our cause. The objective of the organization has been endorsed by the Lyon County Board of Education, the Trigg County Board of Education, the Lyon County Lions' Club, the Trigg County Chamber of Commerce, the Fiscal Courts of Lyon and Trigg Counties and numerous other civic and fraternal organizations.

THE OBJECTIVE OF THE TRI-COUNTY ORGANIZATION

The organization was first established out of an instinct for self-preservation. The one objective adopted by the organization was:

"The objective of the organization is to protect by united effort those residents of the Between the Rivers area, who wish to continue to reside in their homes, from forcible eviction and condemnation of their properties by any Federal or State agency."

"We hereby repeat our previous statement—we are not opposed to the development of a national recreation area—so long as lands in the ownership of the Federal Government at the present time are utilized. We feel there should be room for us and the recreation area."

ANALYSIS OF THE LAND BETWEEN THE LAKES CONCEPT STATEMENT

In April 1964 the TVA issued the Land Between the Lakes revised concept statement. As background for the instant report, it is important to review some of the statements and recommendations made by the Department of Interior, National Park Service, in April 1961:

"Certain portions of the entire peninsula are not included within the suggested boundaries. These exceptions are as follows:

"Fort Donelson National Military Park.

"Fort Donelson National Cemetery.

"The town of Dover and the Pumpkin Ridge section.

"The town of Golden Pond and adjacent corridor along U.S. Highway 68.

"The section immediately south of the canal which contains a rapidly developing residential section.

"At the proposed main south park entrance a protective strip south of U.S. Highway 79 has been included. However, most of the land along the south side of the highway has been left for private development of overnight facilities and commercial services. It is anticipated that with adequate local zoning along this highway and in relation to the exception listed, no serious adverse impact will be reflected upon the envisioned park values." [Emphasis ours.]

It is inconceivable that TVA could solemnly and logically reach the decision on page 4, "no privately owned inholdings will remain within the boundaries". Congress and the President have not tied TVA's hands in reaching a reasonable and just solution to any problem presented by the development of the recreation area. Resolution of issues is a matter of administrative discretion. Indeed, TVA passed up the purchase of unpopulated timber lands between the lakes that were for sale and came into our densely settled area to evict us from our homes. This woodland area contains many acres more than TVA deemed necessary for

the project. No doubt these lands could have been purchased at a tremendous savings to the American taxpayers, rather than the purchase of land a lot at a time.

TVA has heretofore been recognized by valley residents as a reasonable and idealistic agency with a heart, in dealing with people. Today that image is considerably tarnished in the light of this era of pure TVA empire building.

TVA's concept statement pronounces: "Seldom has the opportunity been afforded an arm of the Federal Government to *cooperate* with States, *local communities*, national voluntary agencies and education in a program designed to *improve the living and happiness of people for present and future generations*. [Emphasis ours.] This statement is beautiful but meaningless in our case. *Cooperation* has been a totally neglected aspect of the TVA program in dealing with the county governments and people affected. "Improving the living and happiness of people" is a moot point to the hundreds of families thrown to the tender mercy of speculators on the east and west shores of Kentucky and Barkley Lakes. A situation which TVA has promulgated and brought about.

On page 3 "TVA's policies with regard to the operation of the area will encourage private enterprise to invest in motels, resorts, restaurants, and other commercial facilities on the opposite shores of both lakes and along the approach highways." Is it logical or justifiable to sacrifice and evict residents between the lakes from their properties to enhance and accommodate the financial posture of favored ones on the opposite shores as well as within and adjacent to the Land Between the Lakes?

TVA has for more than 20 years owned approximately 29,295 acres of choice lakeshore lands on the west shore of Kentucky Lake. These lands have not been developed. They are listed by TVA as not for sale or transfer. Since 1945, however, 148,000 acres of land have been sold by TVA. Some of the acreage was in Lyon County, purchased originally for \$28 per acre. The land was subdivided by TVA, advertised all over the United States and sold as resort lots at several thousand percent increase. These holdings of people from 35 States, in Lyon County are again being purchased by TVA. In addition to TVA's 52,290 acres in conjunction with Kentucky Lake in Kentucky, the Army Corps of Engineers in conjunction with the Barkley Dam project will have approximately 61,466 acres of combined water and land area available for public recreation in Kentucky. This is in addition to the 65,000-acre holdings of the Department of Interior in the national wildlife refuge. Most of this 179,426 acres are in Lyon and Trigg Counties.

Substantial acreage has been purchased approximately every 9 miles along the shoreline of Barkley Lake by the Corps of Engineers to give full access to the lake to the public. The tracts range from 3 acres in size to over 4,000 acres, leaving acreage in Federal ownership and not available for private development.

The concept statement continued: "The Land Between the Lakes will be an area where groups of young people and adults can spend some of their leisure planting trees to help heal the scars of erosion. They will also be able to develop or renew their skills with axes and handtools and learn to help provide food and shelter for wildlife." The activities listed above hardly fall within the ordinary concept of leisure or recreation. We suggest that adequate area presently is available to TVA for such pursuits without disrupting the lives, business, homes, and welfare of property owners who are expected to meekly yield their properties for such activities. Surely the most valuable and desirable land in the central United States is not the ideal site.

The Land Between the Lakes is less than 150 miles from the center of population. We agree that "a 500-mile circle described around the Land Between the Lakes encompasses an estimated 70 million people." We do, however, wish to emphasize that within that 500-mile circle TVA refers to, there are almost 25 million acres of public outdoor recreation areas. In addition the Federal Government is actively engaged in acquiring for recreation purposes within the TVA 500-mile circle over 3½ million more acres.

TVA's circle encompasses the Shawnee National Forest, containing 310,953 acres of scenic hills and camping sites in southern Illinois. It encompasses the Great Smokies National Park, containing 509,146 acres as well as Mammoth Cave National Park and it's 50,695 acres. These plus scores of State and National parks and forests all have facilities for camping, swimming, hiking, and the myriad of activities proposed here. Their facilities have been available and free to the public for years, yet statistics show that the use of the various

national parks range from less than one person per acre per year (Mount McKinley, Isle Royale) to a maximum of nine (Great Smokies, Shenandoah). TVA plans based on 40 persons per acre per year after the 10th year taxes the credulity.

TVA's Land Between the Lakes project is adjacent to numerous Kentucky State parks. Recently news media reported a deficit of over \$1 million for Kentucky's park system in spite of an additional \$1 million subsidy voted by the legislature. It is reasonable to assume that the 170,000-acre TVA campground will measurably compound Kentucky State park deficits in years to come.

Perhaps the most amazing aspect of the TVA action is explained lamely on page 4, "Early plans of the State to relocate the highway and the urgent need of the city of Dover for room in which to expand have influenced the location of the southern boundary." We are delighted that TVA saw the merits of excluding the homes and businesses along Highway 79 and has allowed Dover ample room in which to expand, by the means of placing the southern boundary along a new survey. The approximate $4\frac{1}{2}$ -by- $2\frac{1}{4}$ -mile, 6,000-acre area "for expansion" is typical TVA inconsistency. The State of Tennessee is to contribute approximately one-third of the Land Between the Lakes project area compared to two-thirds from Kentucky. How can TVA justify this policy of flexibility with respect to treatment of the people in Tennessee while maintaining a posture of absolute inflexibility in Kentucky?

The proposal to acquire the heavily populated 8,000 acres in Lyon County and the corridor along Highway 68 and Golden Pond is most appalling. An analysis shows that using TVA figures of 24,000 campers per night; every camper will have a little over 7 acres upon which to pitch his tent. In the light of social and economic hardships to be created, TVA's proposed acquisition should be offensive to the conscience.

VAST ECONOMIC WASTE

The area north of the Brandon Chapel Road in Lyon County and the Highway 68 corridor in Trigg is highly valuable land for private and industrial development. Much of the land had already been subdivided. The planned investments of millions in industry, a village, motels, restaurants, and homes are indicated. One initial \$5 million private investment has been halted and this is no area redevelopment loan petitioning group, pleading for funds from Washington.

Based on an average of three lots per acre and the construction thereon of a home of a minimum price of \$10,000 it is readily apparent a property valuation of several hundred million can easily result. (The Great Lakes Carbon Co. owns extremely valuable lands which could contribute to an unlimited degree to the economy of the area. Other areas are suitable for other types of industries such as a port at the confluence of the two lakes.)

There is no doubt that the Land Between the Lakes and south of the canal has enormous potential yet TVA proposes to dedicate irrevocably to nonproductive use the most valuable lands in the central United States. It proposes that these lands should be opened to tents and camps and closed to homes and the economic growth so vitally needed in the area.

We do not believe the national interest will be served by the sacrifice of this most valuable property. We do not believe TVA can justify the dedication of invaluable byproduct of dam construction merely to camps and a playground. We believe that adequate campsites can be obtained at lower cost, with less or no displacement of people and less destruction of other values if TVA will concentrate on developing the large Federal acreage already at their disposal, and if further purchases are necessary, to investigate the large acreages of unpopulated land.

We believe a vast economic waste has been proposed.

SOCIOLOGICAL PROBLEMS

The most serious aspect of TVA's proposed acquisition is the effect it will have on the people. Residents of Lyon and Trigg Counties have been buffeted by Federal acquisition until it is a cold concrete fact in the statistics of the State mental health department. Acquisition of the populated areas means:

(1) The eviction of approximately 400 families in Trigg County and approximately 450 families in Lyon County.

(2) The dispossession of approximately 2,500 men, women, and children from their homes.

- (3) The dismemberment of nine communities.
- (4) The abandonment of two schools.
- (5) The destruction of 15 churches.
- (6) The surrender of 19 subdivisions. Many are completely developed.
- (7) The abandonment of 62 places of business including:

LYON COUNTY

12 filling stations
7 grocery stores
5 resorts
3 motels
3 garages
2 sawmills
1 greenhouse
1 fish market
3 restaurants

TRIGG COUNTY

2 filling stations
1 grocery store
2 used car lots
5 motels
3 garages
1 radio and TV service business
6 general merchandise stores
5 restaurants

(8) The abandonment of the Presbyterian Conference Center representing the 8,000 members of the West Kentucky Synod.

The sociological aspects of driving these people from their homes, farms, churches, schools, and communities will be enormous. Displacement will be for the second, third, and fourth time for most of the families, at Federal instigation.

Such consequences cannot be compensated for or measured in cold cash. The problems are vital to the counties and the State, to say nothing of the people themselves.

HARDSHIPS TO THE COUNTY

If the privately owned lands are left in private ownership the enhancement values have and will offset the losses suffered by the inundation of lands by Barkley and Kentucky Lakes. Over 53 percent of the taxable land area in Lyon County has been removed from the tax rolls by Federal and State acquisition. Due to Corps of Engineer acquisition and that of TVA, Lyon County's population has decreased by one-half since 1940. The U.S. Bureau of Census reported a decrease of 13 percent in Lyon County's retail sales in 1963. A 23-percent increase was shown for the State as a whole.

The principal source of revenue for Lyon County has always been the property tax. Recently the county has existed only by receiving rebates from the sale of timber on Kentucky Woodlands National Wildlife Refuge plus the payments received from the U.S. Corps of Engineers on rentals of farmlands purchased for the Barkley project. These payments, which are at an end, are all that has made it possible for the county to exist in recent years.

TVA has shown little if any regard for the financial straits of the county.

TVA in lieu of tax payments to Lyon County in 1963 was \$471 for the approximately 25,000 acres of Lyon County land inundated by TVA's Kentucky Reservoir. The amount of \$1,260 was distributed by the State to the county on TVA power sales and \$3,642 went to the schools. The total in lieu of tax payments by TVA are a fraction of the revenue loss the counties suffered by the mass removal of the residents and acquisition of their property.

The loss of \$47,810 in school funds under the minimum foundation school program brings us face to face with the loss of accreditation of our schools if TVA removes the students from the area between the lakes and they move out of the county or State. An additional loss of \$10,320 in school taxes will be sustained if property is acquired by TVA. TVA has now passed the compensation for tax loss that is incurred from TVA's Land Between the Lakes acquisition to the U.S. Office of Health, Education, and Welfare and back into the lap of the U.S. taxpayer for the future.

There will be no opportunity to recoup the losses of revenue if the land having the greatest potential is irrevocably dedicated to unproductive use at American taxpayers expense.

Possibly, for the first time in the history of the United States a county faces extinction due solely to Federal acquisition and more particularly TVA's plan.

Since it was not contemplated in the original recommendation for the development of the national recreation area that the Department of Interior or later the TVA would devote appropriate funds to acquire lands north of the Brandon Chapel Road in Lyon County and the corridor along Highway 68, Golden Pond and adjacent holdings. We suggest that any such diversion and use of public

funds by subterfuge, by TVA, for such acquisition, merits painstaking congressional scrutiny. More especially, in view of the fact that, much of the land is not even within the Tennessee Valley watershed.

SUGGESTED ALTERNATIVES

We concede that TVA's recommendations, plans, and procedures were made hurriedly, without careful study of the effects of its acquisition.

We suggest that large areas of uninhabited land in Tennessee south of Highway 79 between Kentucky and Barkley Lakes would adequately serve as a camping and recreation area. There would be no displacement of people, no reduction in tax revenues, no great social changes, no destruction of economic values would be involved in the utilization of this land. It joins the southern boundary of the proposed recreation area.

Should not a study be made to determine whether intensified development and enhancement of the more than 100,000 acres in Federal ownership and available to TVA cannot overcome the exclusion of the populated areas?

We suggest that a sincere effort be made to quiet the fears of the citizens affected, to enlist their cooperation.

Surely there are ways and means of securing optimum development of the recreation area and at the same time preserve the inherent private development values.

Is it not high time the Federal agency involved show more sympathetic regard for the wishes and welfare of the local people, the county officials and even our congressional delegation?

The cooperation particularly of all levels of government and private enterprise has been totally ignored. The most important single force in outdoor recreation is private endeavor—individual initiative, voluntary groups, and commercial enterprise. Full consideration has not been given by TVA to the private role or cooperation at the local government level.

The county governments recognize the vital need for planning, zoning, and an orderly development of the area's resources, however, this can be accomplished only on a cooperative basis and never by dictation.

Since TVA has maintained a position of unrelenting unreasonableness, we urge you to add restrictions to any Land Between the Lakes appropriation. Will you please, at the same time give consideration to turning this project over to the Department of the Interior.

Those who come to you and plead for this appropriation in the name of alleviating hardship cases show pure hypocrisy in a most vicious form. Contempt for the plight of our people and a profound desire to feather their own nest has been the history of their activity.

TENNESSEE VALLEY AUTHORITY,

Paducah, Ky., May 26, 1958.

Mr. H. E. SNIPE,
Chicago, Ill.,

DEAR MR. SNIPE: You likely know of the Authority's plan to offer the lots in the Lakeview subdivision on June 11 of the year. I was only able yesterday to obtain your address, hence my delay in writing you and sending a copy of the printed material which we distribute.

You will note from the map attached to the list that lot 23 lies immediately back of your property and separates you from the subdivision road. It is for this reason that I felt you would be particularly interested in this lot. There are others which might likewise appeal to you.

Your attention is called to the statement entitled "Advance Bids" on page 3; also my itinerary on the top of page 4. If you are at your lodge during the period mentioned I would be glad to have you contact me. You may also send a check for 10 percent of the minimum price, payable to the Tennessee Valley Authority, to me at the above address as a deposit on bids of the lots of your choice. I will send you a receipt for the amount deposited (personal checks are acceptable) together with the bid forms for your signature.

Yours very truly,

J. W. Newman,
Area Representative, Land Branch.

STATEMENT OF GEORGE BLEIDT, RESIDENT LANDOWNER,
GOLDEN POND, KY.

LAND-BETWEEN-THE-LAKES PROJECT

Senator HILL. Mr. George Bleidt.

All right, sir, you may proceed.

Mr. BLEIDT. Mr. Chairman, because of the time limit, and since everybody wants to get away, if it meets with your approval, I would like to file my statement and make a few remarks.

Senator HILL. All right, sir.

Mr. BLEIDT. I have been here all day today, and I have heard Tims Ford and I have heard Tellico, and I have not heard of anybody that has been opposed to the TVA. I am not any different; I am not opposed to the TVA. I think it is a worthy organization. But quite frankly, sir, I am opposed to TVA coming into an area and acquiring about 204,000 acres for a national recreation area, when they already have 100,000.

I would like to call your attention to the fact that it takes courage on my part to come here, because I know what the repercussions are going to be when they get to me, if they get to me. Folks have said they love TVA. I do, too, but I want you to know, sir, that they are a ruthless bunch of gentlemen, if you can use the word "gentlemen".

LOCAL OPPOSITION TO PROJECT

I would like to call your attention to the fact that this area affects two counties in Kentucky, one county in Tennessee. The two counties in Kentucky, the local governments in the two counties have never approved the project. They have opposed it from the time it was first mentioned.

All of the civic organizations in the two counties are opposed to it. They still oppose it.

All of the letters that you, sir, entered into the hearing of the Senate were letters from outside the area, and not one letter was from anybody in the area affected.

We are also opposed to the TVA coming into our area and going into the real estate business as such.

PROJECT COST AND FINANCING

We also would like to call to your attention the cost of this project. You will note that the House stated in their statement to TVA that the cost had gone up from \$33 million to \$51 million in 1 year. Now, if they have continuing on this 12 or 15 years they stated here, I think Senator Ellender might be right in his estimation of the cost.

Even in the face of that, TVA has never been required to give to you or anybody else a detailed plan of what they want to do or what they are planning to do. Three years before this project was ever mentioned, TVA was collaborating with investment companies in Tennessee and in Kentucky and making arrangements to borrow money from ARA so that businesses could be developed outside the area.

TENNESSEE EXCLUSION

If you will note on one of their maps which has rabbits and deer and items of that sort, you will notice that there is an effort at each end of the setup. One is next to big canal on the south end, the other is next to the exclusion in Tennessee. Now, the exclusion in Tennessee is completely within the area. I want you to know that that is the case.

A general description of this area by the chairman has been that it would be an area between Kentucky and Barkley Lakes, that runs from U.S. 79 to the canal, and that the boundaries were natural.

Mr. Smith made the statement at the House hearings that if any exclusions were allowed in the area, honkytonks, commercial establishments, and real estate developments would appear. Well, they have appeared, because in the exclusion in Tennessee, there is a subdivision in business now operating. The lots are 60 feet by 120 feet, with trailer hookups, with a minimum building requirement of 500 feet. Now, if that isn't honkytonk and commercial, I don't know what you would call it; and it is in the area.

Now, the question arises, who owns this? What influence did they have in order to get the exclusion? Why wasn't it shown on the map when we were here before? I have the map that was used before, and it is not in it. And I have here the present map they put out, and it is now on it. Why isn't it in Tennessee, and why is it in Kentucky? And why have no public statements ever been made about it?

To this day they have never made a public statement. I have got the map right here showing the exclusion.

DISPARITY IN LOCAL AND TVA FUNDS FOR PUBLICITY

Senator, our publicity has been limited on this. We haven't had the money to get Greyhound buses and bring the press out. We haven't had money to rent airplanes nor boats and show them the area. They have had public funds to do it. It is wrong, it is illegal, it is evil. We know it is, and we want you to know that it is.

VIOLATION OF CONSTITUTIONAL RIGHTS

In the face of all of that, there has been a lawsuit filed, and we believe that our constitutional rights have been violated, and we will fight them to the death.

We wish to thank you very kindly, sir.

Senator HILL. Thank you.

Mrs. Juanita Snipe could not come?

Mr. BLEIDT. No, sir.

I want to thank you. You have my statement for the record.

Senator HILL. Yes, sir; it will be filed in the record. Thank you. We also have a letter from Senator Cooper which will be included in the record.

(The prepared statement and letter referred to follow:)

Mr. Chairman and members of the subcommittee, I am George Bleidt of Golden Pond, Ky., and am a resident land owner in the area known as Land Between the Lakes.

The people of this area are not opposed to the recreational area, but we do oppose TVA's present procedure and policy in developing it. We appreciate the opportunity to present our case before this committee.

TVA is an agency created primarily for flood control and power generation within the Tennessee Valley or its tributaries. However, approximately half the land they propose to acquire is not within this geographical area where TVA has authority to acquire land by exercising the power of eminent domain.

No phase of this project has been authorized by Congress. Nor did Congress include instructions for the expenditure of the two previous appropriations; because as Senator Cooper said, "We assumed that special care would be taken in acquiring any land and beyond that already in Federal ownership."

TVA has never been required to give a definite, detailed account of their plans to anyone, in spite of the fact that Congress will be requested to appropriate approximately \$150 million for the development and operation of the area.

In being assigned this project, TVA "was to establish guidelines for the acquisition, development and operation of other recreation area." Yet, there has been no cooperation with local governments nor has TVA established desirable public relations with local citizens. The local governments of Lyon and Trigg Counties are on record as opposing the acquisition of all private property. The board of education in each county, the Cadiz-Trigg County Chamber of Commerce and the Trigg County Farm Bureau all passed resolutions opposing such acquisition. Both county newspapers have voiced their opposition editorially.

TVA news releases informed us that appraisals would be fair. However, property evaluations have been inconsistent, irregular, and absurd. Many price offers have been rejected.

Another example of TVA's duplicity is shown by the following statements. "There will be no commercial facilities in the usual sense. There will be no air-conditioned lodges, cabins, and restaurants." Yet, the Hopkinsville, Ky., New Era quoted Mr. Sherrill Milliken, project manager, as saying, "There will be no motels or any sort of commercial development, unless in time, it should become necessary." This admission confirms our belief that TVA will remain in the lucrative real estate business in the Land Between the Lakes.

TVA stated that "private lands left within the area would be a deterrent to development of commercial facilities across the lakes from the area." At the Senate subcommittee hearings last summer, Mr. Wagner said, "Within a relatively short time there will be \$25 million invested on the west shore of Kentucky Lake and the east shore of Barkley." He did not point out that, even then, large investment companies had plans completed for such expenditure and that this planning had been done with the advice and collaboration of TVA.

The following description of boundaries has been used consistently. "The area lies in western Tennessee and Kentucky, between Kentucky Lake on the Tennessee River and Lake Barkley on the Cumberland, extending from the canal which connects them on the north to U.S. Highway 79 in Tennessee."

Mr. Wagner referred to these as being "natural boundaries making it possible to set this unique area apart for complete development."

At the Senate subcommittee hearings last year, Mr. Frank Smith, member of TVA Board of Directors, made this statement: "Unless the whole area is acquired, it would be just a matter of time before you would have real estate developments, commercial establishments, including honky-tonks, springing up all over the recreation area."

Now, it comes to our attention that an area north of Highway 79 and completely within the boundaries, has been excluded. Last year at the hearings of the Senate subcommittee, the official TVA map did not show any exclusion. However, after TVA's request for funds had been approved by Congress, a new map of the area was published, showing the excluded area in Tennessee. In this exclusion, there is one completely developed subdivision. The lots are only 60 by 125 feet, and have a minimum building requirement of 500 square feet. This substandard zoning also permits commercial development as well as trailer hookups. TVA allows here the very situation which Mr. Smith deplored.

Who are the owners of this property and what is their field of influence? Why was the area not shown at the time of the meeting? Why has TVA made no public announcement of such an exclusion? Why is an excluded area permissible in Tennessee, but not in Kentucky? And since this new boundary line is marked "approximate," what is to be the ultimate extent of this exclusion? These vital questions should be answered.

We strongly urge that the Congress investigate the strange circumstances under which a large block of land is being quietly excluded from this recreation area while those of us who protest here today are labeled "agitators" and

"greedy speculators" simply for trying to retain our homes and our only means of livelihood.

And until this investigation is complete—until you are satisfied that these vital questions have been answered and the real speculators for easy profit have been identified—we urge you not to approve TVA's request for funds to acquire more land in the Between-the-Lakes Area.

JUNE 8, 1965.

Hon. LISTER HILL
Subcommittee on Appropriations for TVA,
Senate Committee on Appropriations,
Washington, D.C.

DEAR SENATOR: I am enclosing a copy of the resolution passed by the fiscal court of Lyon County, Ky., in regard to the Land Between-the-Lakes project of the Tennessee Valley Authority. I would appreciate your including it in the record of hearings on the appropriations requests for TVA for this year.

With kind regards, I am

Sincerely yours,

JOHN SHERMAN COOPER.

EDDYVILLE, KY., June 2, 1965.

Hon. SHERMAN COOPER,
Senate Office Building,
Washington, D.C.

DEAR SIR: Enclosed is a copy of a resolution passed by the governing body of Lyon County with respect to TVA's Land Between the Lakes project.

Your consideration and cooperation will be deeply appreciated.

Respectfully,

FRANCIS W. UTLEY,
County Judge, Lyon County.

Whereas since January 16, 1964, the Tennessee Valley Authority by harassment, incitement, threats of condemnation, and threats of use of U.S. marshals has actively engaged in evicting citizens of Lyon County between the lakes from their homes, lands, and properties, without authorization legislation from Congress for the Land Between the Lakes project; and

Whereas the Tennessee Valley Authority has singly and in conjunction with individuals, organizations, and corporations prejudiced the best interests of Lyon County as a whole. Has deprived citizens of between the lakes of their peace of mind, their property rights, and in some instances their property value and worth to the extent legal action is warranted; and

Whereas the Tennessee Valley Authority has acted capriciously, dictatorially, and unqualifiedly with bias in the determination to acquire every acre of privately owned land between the lakes in Kentucky; and

Whereas the Tennessee Valley Authority dictated the situation whereby all of the remaining privately owned lands between the lakes are to be in Tennessee and thereby acted in discrimination against Lyon County and the citizens thereof: Therefore be it

Resolved by the fiscal court of Lyon County, the governing body of this county That the full text of this resolution be respectfully conveyed to the two U.S. Senators, the Congressman from the First District, the Senate Appropriations Committee for Public Works, and to the House Appropriations Committee for Public Works:

We respectfully petition for the reasons listed above and other valid reasons not stated herein that no further funds be appropriated to the Tennessee Valley Authority for acquisition of lands in Lyon County, Ky., for the Land Between the Lakes project.

We respectfully urge that the Tennessee Valley Authority be ordered to cease and desist from new land acquisition in Lyon County—after reaching a mutual agreement and payment of those property owners with whom negotiations are now in process.

We respectfully and earnestly suggest that a congressional investigation may be warranted to determine if a monopoly on the remaining privately owned Land Between the Lakes will be created by the Tennessee Valley Authority's contrived

plan of acquisition. Whereby unusual benefits will accrue to a large and politically powerful corporation at the expense and hardship of the families evicted, the county and the Nation.

We have studied current acts before Congress which will establish national recreation areas over the United States. In no instance has damaging, ruthless acquisition, and eviction been suggested by the Department of Interior or authorized by Congress.

We respectfully urge the transfer of the Land Between the Lakes project to the Department of Interior.

Judge FRANCIS UTLEY.

Magistrate: Travis.
Magistrate: Jones.
Magistrate: Ferguson.

STATEMENT BY AUBREY J. WAGNER, CHAIRMAN, TENNESSEE VALLEY AUTHORITY

COMMENTS IN REBUTTAL

Senator HILL. Mr. Wagner, will you please comment on the testimony we have heard this afternoon?

Mr. WAGNER. I would like about 5 minutes to make just a few comments.

I want to say first that it was a real treat for us to hear these witnesses from our area, Ray Jenkins, and Don King, and Bill Smith. It occurred to me while they were talking that I have tried many times to convey to this committee and to other groups the depth and the spirit of TVA's tributary area development program, and I believe you got that today more eloquently than I have ever been able to give it.

I would like to say to you that if the people from the Beech River area, or Bear Creek, or Yellow Creek, or any of the other tributary area groups had been here, they would have given the same testimony.

I would like to comment very quickly, if I may, on some of the statements that have been made here about the Tellico project and the Land Between the Lakes.

CONSEQUENTIAL BENEFITS OF TELlico PROJECT

It was stated that I am on record as having said that the power benefits and the flood control benefits of the Tellico project were inconsequential. No record was cited, and I hope I made it abundantly clear this morning that those benefits are decidedly consequential, because they are. The navigation, flood control, and power benefits alone are about equal to the net cost of the project.

LOCATION OF INDUSTRIAL AREAS

To support the opponents contention that the industrial sites to be provided by Tellico are not needed reference was made to the fact that the Tellico Dam is only 15 miles from Melton Hill Dam. This is true. The industrial areas provided by the two reservoirs, however, are 52 miles apart by highway, about the same distance as exists between many other areas where there have been concurrent industrial developments: Decatur, Ala.; Guntersville, Ala.; Muscle Shoals, or the Huntsville area, with which you are familiar.

AVAILABILITY OF INDUSTRIAL SITES

It was also stated that there are 72,000 acres of industrial sites now available on TVA waters. I am sure this information was given to you through misunderstanding. These people are all, I hope, our friends, as they say they are, and I believe they did not have accurate information.

The 72,000-acre figure comes from a survey that was made of the State of Tennessee. It applies to sites along all waterways, including the whole length of the Mississippi across the west border of Tennessee, the entire length of Cumberland within Tennessee and the Tennessee River itself within the State of Tennessee, and it includes any site which has a railroad within 10 miles of it. Most industries will not bring a railroad 10 miles. So, this is not a realistic figure in relation to the kind of sites we were talking about at Tellico.

INDICATIONS OF PROSPERITY OF AREA

There was a statement made to the effect that the prosperity of the area was indicated by an increase in bank deposits in some of the banks. The percentage increase figures given, I believe, were essentially correct. But the fact is that the dollars per capital of bank deposits in those three counties are less than the State average and less than the national average, and the gap from year to year is widening.

Senator HILL. It is widening each year?

Mr. WAGNER. Yes, sir; it is widening over a period of time. I don't have the figures for every specific year. But to give you the figures that I have, the per capita bank deposits in the three counties in 1964 were \$684; in the State, \$1,184, nearly twice as much; and in the United States, \$1,817, nearly three times as much.

Senator HILL. They were about a third.

Mr. WAGNER. The three counties were behind the State by \$396 in 1958; 6 years later, the gap had widened to \$500. They were \$988 behind the Nation in 1958, and in 1964, the gap widened to \$1,133.

Now, as I say, I am sure that this was just the result of incomplete information, but I think the actual dollars mean more in this case than the percentage changes.

INTERIOR DEPARTMENT STUDY OF LITTLE TENNESSEE RIVER

There has been mentioned a report that someone expects from the Interior Department about the lower Little Tennessee River. It is true that representatives of the Interior Department did make a study of this area to determine, I believe, its "Wild River" characteristics. I talked with the Secretary of the Interior a few days after the people had been in the field, and he indicated to me that his analysis was going to be complete within a few days. I had no indication that he intended to make a public statement about it, nor a formal report, and the fact that he has not would indicate to me that he had no suggestions to offer.

Senator HILL. How long has it been since you talked to the Secretary?

Mr. WAGNER. Six weeks, perhaps, Senator. I was just trying to recall the date. I can supply that for the record.

Senator HILL. Will you supply that to me, and be sure we get that date correct. [June 3 was the date of the conversation referred to]

POSITION OF KNOXVILLE CHAMBER OF COMMERCE

Mr. WAGNER. It was stated this afternoon that the Knoxville Chamber of Commerce is opposed to the project. The Knoxville Chamber of Commerce has not opposed the project, and many of the people who were here today are members of the Knoxville Chamber. I should say in all fairness that neither has the governing body of the Chamber of Commerce endorsed the project. They have just not taken any action.

DOWNSTREAM FLOOD BENEFITS FROM PROJECT

Several times in the discussion, reference was made to the fact that there has been no flooding in the valley of the Little Tennessee River, and the observation was apparently intended to cast doubt on the value of Tellico for flood control. I am sorry if I wasn't clear about this when I testified earlier. This project is at the mouth of the Little Tennessee River. It could by no stretch of the imagination provide flood protection for the area upstream. The substantial flood benefits will be realized down stream.

Senator HILL. That is true of all dams, is it not?

Mr. WAGNER. Yes, sir. They store the waters which flow into them to protect the lands which lie below them.

Senator GORE. That would include Chattanooga?

Mr. WAGNER. Yes, sir; it does include Chattanooga.

And, Senator, this dam in a single major flood, could save Chattanooga as much as \$5 million damages, added, of course, to the protection that the other dams provide. There are other statements about Tellico that I could comment on, but I think most of them have been responded to already, either this morning or in the House hearings.

Senator HILL. Senator Gore, do you have any questions that you want to ask?

Senator GORE. No, thank you.

Mr. WAGNER. Oh, there is one more thing, Senator. Excuse me.

Senator HILL. Yes, go ahead.

REPORT ON POLLUTION STUDY

Mr. WAGNER. As I said this morning, we have studied the question of possible pollution of the Tellico project from Fort Loudoun Reservoir. I said then, and I repeat, that our hydrologists and our sanitary engineers have studied this matter carefully, and have assured us that the water is the same quality now in both reservoirs, so there would be no pollution, and I mentioned other assurances that we have as well.

Now, I did not present it, but I have here their report, complete with technical exhibits and discussions.

Senator HILL. You mean the report of your engineers?

Mr. WAGNER. The report of our engineers and the sanitation technicians. The investigation has been as complete as it can be, no further study is required.

Senator HILL. Do you want to put that in the record?

Mr. WAGNER. I do not believe the report needs to be included in the record of the hearings, but I am glad to submit a copy for the committee's use.

Senator HILL. About the House putting in \$100,000 for a study of water pollution, the idea was given by witnesses in opposition to Tellico Dam that it was put in there specifically because of fear of pollution due to the Tellico Dam construction. Is that correct?

Mr. WAGNER. They were not entirely correct. The committee report recommended additional study of the general problem with special emphasis on this specific area. As I have testified, no further study of this matter is required. There will be no increase of pollution in the waters of the Little Tennessee because of Tellico.

Senator HILL. Well, you could use the money to study pollution anywhere on the whole Tennessee River system; is that right?

USE OF FUNDS FOR OTHER STUDIES

Mr. WAGNER. That is correct. As we have indicated, we do not need the money for this particular purpose, but we can use it very effectively to advance the completion of some of our other studies.

Senator HILL. That is what I wanted to make clear. You don't need it for this purpose.

Senator Gore?

STATE OF READINESS OF TELlico AND Tims Ford Projects

Senator GORE. Mr. Wagner, what is the state of readiness with respect to the Tellico project and the Tims Ford project?

If you had money available for both, could you begin construction of both immediately, or is one further advanced in planning and more immediately available for construction?

Mr. WAGNER. The Tellico project is more advanced in planning. We could begin construction of both of them in the current fiscal year if sufficient funds are available. The estimates that we presented, \$5,775,000 for Tellico and \$5,570,000, as I recall those figures, for Tims Ford, are the estimates which our engineers gave us; both provide for the most efficient first year construction schedule.

I believe that if adequate funds are appropriated, on-site work on both of the projects could start in October, and then we would proceed from thereon.

Senator GORE. October of this year?

Mr. WAGNER. Yes.

Senator GORE. You could start either one in October?

Mr. WAGNER. Either or both.

Senator GORE. So, though the plans for Tellico are further advanced, Tims Ford is sufficiently advanced that you could start both by October?

Mr. WAGNER. Yes, sir, assuming the full amounts of the estimates are appropriated—but this is just a tribute to our engineers, Senator. You will remember that in the war years we started projects on a moment's notice. When I say our planning is further advanced, the Tellico project has been included in our total water resource development plans for a longer period of time. For example, the excavation necessary for the connecting canal on the Fort Loudoun side of

the divide was done when Fort Loudoun was built. And in general, we have plans further along. We perhaps have made somewhat more complete foundation explorations, but we could proceed on both projects.

Senator HILL. Do you have any other questions?

Senator GORE. No, thank you.

Senator HILL. Is there anything you would like to add, Mr. Wagner?

Mr. WAGNER. Before leaving discussion of the Tellico project I want to say one final word. No project in TVA's history has been more thoroughly investigated or carefully studied. It has been in our planning for years, and witnesses have deplored the uncertainty caused by the postponement of construction. There is no need for further delay; Mr. Chairman, we urge you to end the uncertainty by providing funds in this bill to commence construction.

LAND BETWEEN THE LAKES

In reply to many of the statements of those opposing Land Between the Lakes I offer this statement for the record. I shall take time only to comment on two specific statements which must have been based on misinformation and misunderstanding. They are not covered in the statement I have submitted. Mrs. Whitehead challenged the accuracy of TVA's report of the number of visitors to the facilities in the area, and appeared to believe that the figures announced had been derived from automatic counting devices placed on the highways some time ago. I am glad to reassure her on this point. The traffic counters are installed to help in determining the location and extent of new or improved roads, not to count visitors. Reports of visitors are of those using the recreation facilities. They do not include residents going to and from work as she feared.

Second, in his testimony Mr. Bleidt was misinformed when he identified an area in Tennessee adjacent to Land Between the Lakes as an "exclusion" by TVA within the boundaries of the project. This area has always been outside the contemplated boundary, and it is now. There has been no change. In describing it as "honky-tonk and commercial," Mr. Bleidt has effectively supported TVA's position that no "exclusions" within the boundaries should be allowed. We are firm in that position.

It is late, Senator, and I believe our testimony in this and previous years, together with the materials presented for the record, will provide all the information you require without prolonging this session unduly. Thank you for your attention and your patience.

(The prepared statement of Mr. Wagner follows:)

TVA'S LAND BETWEEN THE LAKES PROJECT

I. DEVELOPMENT PLANS

Land Between the Lakes, an area of 170,000 acres lying between Kentucky and Barkley Lakes in Kentucky and Tennessee, is a demonstration in resources development. TVA's plans for the demonstration will change from time to time as opportunities for improvements arise, but present plans call for (1) improvement of the area's basic recreation resources, including the forests, open fields, and 300 miles of shoreline; (2) provision of areas and facilities for various outdoor recreation activities; (3) establishment of a conservation education center; (4) provision of adequate reception and access facilities; and (5) cooperative programs with State and local agencies to help guide develop-

ment of the surrounding area. Fiscal year 1969 is the target date for completion of the minimum facilities essential for a workable demonstration.

A. Improvement of the basic recreation resources

The outstanding recreation resource of the Land Between the Lakes is its 300 miles of shoreline, of which approximately half is formed by Lake Barkley. The lake's scheduled impoundment in the fall of 1965 makes urgent the completion of certain planned improvements which will become impracticable or prohibitively expensive after the lake reaches normal operating levels. Two small dams have already been built across arms of Lake Barkley and plans for fiscal year 1966 call for completion of a third. These dams will create lakes ranging from 190 to 370 acres. They will provide the stable water levels, independent of the fluctuations of the main lake, which are desirable for recreation and wildlife programs. A considerable amount of work has been done to eliminate potential breeding places of the malaria mosquito, and incidentally to provide a shoreline more useable for general recreation; and additional work will be undertaken this year. Plans for fiscal 1966 also include grading and paving the underwater portions of eight launching ramps for small craft and the deepening of two future boat harbor areas to depths satisfactory for year-round use by pleasure craft of all sizes.

About half a million seedling trees a year will be planted throughout the demonstration period. Plantings will not be limited to trees of commercial value but will also include those noted for seasonal bloom and fall color. Other species are being selected for their value as wildlife food and habitat or to demonstrate superior strains of the most valuable forest species.

The forestry potential of the Land Between the Lakes is not attractive to commercial forest interests since the area is not economically competitive with other sections of the region better suited to growing pulpwood and saw timber. There are, however, forest management techniques that can and will greatly improve the quality of the project's forested area for wildlife and outdoor recreation. In the process of applying these techniques TVA expects to harvest up to 3 million board feet of cull timber annually during the period of demonstration. Trees that serve no useful or aesthetic purpose will be removed. The area is now being protected against fire under cooperative agreements with the forestry divisions of the States of Tennessee and Kentucky.

Suitable open land will be kept open for aesthetic variety, wildlife, and recreation activities. As former farmlands are acquired, they are evaluated to determine whether they should be planted to trees or kept open. TVA has already prepared 500 acres for planting in waterfowl crops and preliminary plans indicate that another 1,500 acres are suitable and will ultimately be needed for this purpose. About 35,000 acres—20 percent of the area—will be cleared of scrub trees or kept open in order to provide scenic vistas, browse for deer and other large game, and habitat for quail, songbirds, and small wildlife.

The management and development plans for improving the outdoor recreation resources of the Land Between the Lakes are based on sound ecological principles which, it is believed, can be applied to literally millions of acres of presently unproductive public and private land in the Tennessee Valley region and throughout the eastern part of the United States. The methods TVA intends to use and the possibilities of applying them elsewhere are discussed in connection with the project's Conservation Education Center.

B. Recreation areas and facilities

In planning for the development and use of the Land Between the Lakes for outdoor recreation, the basic idea is to provide as simply as possible an environment which is appropriate for the contemplated uses. In general, this entails a division of the land into areas which will be left substantially in their natural state (except for the general resource improvements described in section A above and the provision of trails and other necessary access) and areas where special facilities for recreation purposes will be provided. By far the greater part will be left in its natural state, including the substantial acreage presently owned by the Federal Government and used as a national wildlife refuge. Such use will be continued. In addition, much of the natural area will be suitable for a wide variety of outdoor activities such as hiking, camping, nature study, hunting, and sightseeing. There are also a few sites within the area with historic value which will be made available to the public.

The specially developed recreation areas will include family camping areas, group camping areas, day-use areas, and casual-use facilities. These are described in more detail below:

1. *Family Campgrounds.*—When the Land Between the Lakes demonstration is completed, TVA expects to have approximately 5,000 family campsites which will accommodate about 20,000 people. These campsites are being built in campgrounds at various locations near the major entrances to the area and around attractive coves and inlets overlooking Kentucky and Barkley Lakes. Each campground will have some 200 to 300 individual sites, depending on the adaptability of the terrain, with sanitary facilities, play shelters along the shoreline, playgrounds, hiking trails, boat launching ramps, access roads, parking areas, and shower facilities. In addition to these 5,000 prepared sites in campgrounds, there will be areas available to those who enjoy camping with minimum of conveniences. Such primitive camping areas will have only the barest of facilities.

The first family camping area was partially completed and available for use near the beginning of the 1964 summer recreation season. By the end of the season some 12,000 visitors had used the campground. The completed facility was opened on May 15, 1965, and in the first 4 weeks of this season more than 6,000 visitors had already been received. Campers have come from 27 States, including California, Arizona, and Utah in the West; Connecticut, New York, Delaware, Georgia, Pennsylvania, North Carolina, and Florida on the East coast; and Wisconsin, Michigan, Ohio, Indiana, and Illinois on the Great Lakes. Other States represented were Tennessee, Kentucky, Iowa, Missouri, Alabama, Mississippi, West Virginia, Kansas, Oklahoma, Nebraska, Arkansas, and Texas.

2. *Group camps.*—To accommodate organized groups, TVA plans to build barracks-type shelters in clusters that will handle up to 250 people. These camps are expected to attract the interest of religious and educational organizations, civic groups, fraternal organizations, municipal recreation departments, voluntary youth-serving agencies, and others.

The group camps will have swimming areas, playgrounds, boating facilities, meeting rooms, and equipment for food preparation. Generally, they will be isolated from other developments, but will still be within reasonable traveling distance of supply and service facilities. The number of such camps to be developed will be determined by experience gained in widespread contacts with user groups. Present plans call for a total group capacity of 1,500 persons.

3. *Day-use areas and casual-use facilities.*—Near the more heavily used entrances to the Land Between the Lakes, TVA is setting aside land to develop into day-use areas. At these points facilities will be constructed to accommodate swimmers, boaters, picnickers, hikers, and others who will come to the area for a single day of rest, relaxation, and recreation. In the typical day-use area, provision will be made for a swimming beach, play shelters, shower facilities, picnic tables, extensive playground areas, parking areas, and related facilities.

In addition to the areas being developed for intensive use, TVA is selecting areas throughout the entire Land Between the Lakes peninsula for the casual user. These will offer simple facilities, such as roadside picnic areas, lookout towers, scenic roads, horseback riding trails, hiking and nature trails, water access points, blinds for observing wildlife, field trial areas, and areas for hunting. It is expected that these will be among the project's most popular and widely used developments.

C. Conservation education program

A central feature of the Land Between the Lakes concept is the development of a conservation education center as part of an outdoor recreation area. TVA plans to convert a 4,500-acre fronting on Lake Barkley for this purpose. Each passing year our rapidly urbanizing society sees the removal of millions of people from contact with the natural environment which supports our civilization. In this portion of the Land Between the Lakes the visitor and the student will be able to regain this contact and see with their own eyes the "seamless web" of natural wonders—water and soil, trees and crops, wild and domestic animal life, birds and insects, fish and fowl. This demonstration can show their ecological dependence on one another, and man's dependence on them.

A series of stations, connected by drives and trails, will be developed, and visitors will be able to see and to participate in a variety of conservation activities. For example, a series of forestry stations will include demonstrations of tree-thinning, erosion control, and tree planting; an arboretum of native trees; examples of fire and grazing damage; and a modern sawmill. Likewise, a series

of agricultural stations will acquaint city children with farm animals; trace the evolution of some of the hybrid varieties of plants that have helped make the United States a nation of abundant foods and fibers; illustrate some of the best soil and water conservation practices; and show the results of sound fertilization. A series of wildlife stations will include a beaver lodge and places where deer, wild geese, turkey, and other wildlife may be seen.

The Conservation Education Center will include a youth activities station and an adult activities station where provision will be made for housing of students, teachers, and other organized groups at any season. The youth activities station is now under construction and will be completed in September 1965; in the meantime, schools in the surrounding area are already making use of such features as are available. When the facilities are finished, school groups will be able to come to Land Between the Lakes for a period of educational camping at any time during the academic year. Educational advisers from New York have indicated that schools from their area alone could fill the facilities for the entire year—but, of course, neither they nor TVA recommend such overwhelming use from one area.

D. Reception and access facilities

1. *Reception centers.*—Three main reception and service centers will be built in the Land Between the Lakes. They will be located at the northern, central, and southern entrances to the area. These centers will welcome the visitors to the area and provide information to guide them to the specific area or facilities in which they are interested. The principal information service facility will be near the center of the area along with the project's administrative headquarters.

2. *Access.*—The roads and trails that will comprise the circulation pattern of the Land Between the Lakes will be centered around U.S. Highway 68, which crosses the area from east to west, and a north-south route, which extends the length of the peninsula from the canal connecting Barkley and Kentucky Lakes southward to U.S. Highway 79. The north-south road will be the backbone for the interior circulation pattern; access laterals will lead from it to developments along the lake fronts. A system of foot trails will be developed radiating out from and connecting with the various campground and activity centers in the area. The trails will be adequate for hiking and horseback riding.

E. Development in surrounding area

An important object of the Land Between the Lakes Project is to demonstrate how development of the area for recreation can result in improved economic development in the counties surrounding the project. The 1962 report of the Outdoor Recreation Resources Review Commission makes the observation on a national level. One of the findings of the report notes that "Although the chief reason for providing outdoor recreation is the broad social and individual benefits it produces, it also brings about desirable economic effects * * *. In some underdeveloped areas, it can be a mainstay of the local economy." It is expected that amounts spent by the recreation-minded public will become an economic mainstay in the region surrounding the Land Between the Lakes.

TVA has two basic concerns with change in environment outside the project boundaries. First is the desire to protect the project's values by preventing air and stream pollution, roadside slums, and other visitor deterrents. Second is the objective of assisting the people to take full advantage of the economic potential that will be generated by the Land Between the Lakes.

Both of these interests require action, but TVA does not control the decisions that need to be made. The economic benefits, if they are to be realized, will reflect the sum-total of thousands of decisions made by individuals, organizations, and government at State and local levels. TVA can, however, offer advice and financial assistance, and it is offering both through agreements with the State planning groups. TVA hopes thereby to encourage sound regional plans for future development of the surrounding area. TVA personnel have been meeting with local, county, and State officials to review land-use patterns, future highway development plans, and to analyze the region's future.

TVA first predicted that some \$25 million in private capital would be invested in the area immediately surrounding the Land Between the Lakes before the end of the demonstration. That prediction now appears to have been much too conservative. The project was officially approved less than 2 years ago, and more than \$20 million in proposed private investment has already been announced.

II. THE OPERATING AGENCY

In the Secretary of the Interior's letter of March 25, 1963, to the President recommending assignment of responsibility for the Land Between the Lakes project to TVA, the Secretary said "TVA will administer the area for the period required to complete the demonstration * * *. At the end of the demonstration period, permanent administration of the area for outdoor recreation will be determined." Since experience during this demonstration period will be helpful in determining the agency to which responsibility for permanent operation should be assigned, consideration of this question at this time would seem to be premature.

III. LEGAL BASIS FOR THE PROJECT

Legal authority for the project is granted in section 22 of the TVA Act which provides as follows:

SEC. 22. To aid further the proper use, conservation, and development of the natural resources of the Tennessee River drainage basin and of such adjoining territory as may be related to or materially affected by the development consequent to this Act, and to provide for the general welfare of the citizens of said areas, *the President is hereby authorized*, by such means or methods as he may deem proper within the limits of appropriations made therefor by Congress, *to make such surveys of and general plans for said Tennessee basin and adjoining territory as may be useful to the Congress and to the several States in guiding and controlling the extent, sequence, and nature of development that may be equitably and economically advanced through the expenditure of public funds, or through the guidance or control of public authority, all for the general purpose of fostering an orderly and proper physical, economic, and social development of said areas; and the President is further authorized in making said surveys and plans to cooperate with the States affected thereby, or subdivisions or agencies of such States, or with cooperative or other organizations, and to make such studies, experiments, or demonstrations as may be necessary and suitable to that end.* [48 Stat. 69, 16 U.S.C., sec. 831u.]

The TVA Board studied the Land Between the Lakes area as part of a general survey of the recreational opportunities provided by the TVA reservoir system. As a result of this study it recommended to the President that the area be developed through the expenditure of Federal funds. After consideration of this recommendation the President determined that TVA should " * * * develop a national recreation area as a demonstration in resource development in the 170,000 acre Between-the-Lakes area * * *." This determination was announced on June 14, 1963. The President further stated that "Development of the project will demonstrate how an area with limited timber, agricultural, and industrial resources can be converted into a recreation asset that will stimulate economic growth of the region. It will also help establish and define guidelines for the acquisition, development, and operation of other outdoor recreation areas." How TVA will conduct this demonstration and some of the features that will be included in the project have been described in part I of this statement.

Authority to acquire the land for the project is conferred by section 4(f) and section 25 of the TVA Act:

"SEC. 4(f) * * * the Corporation * * * may purchase or lease and hold such real and personal property as it deems necessary or convenient in the transaction of its business * * *."

SEC. 25. The Corporation may cause proceedings to be instituted for the acquisition by condemnation of any lands, easements, or rights of way which, in the opinion of the Corporation, are necessary to carry out the provisions of this Act."

IV. IMPORTANCE OF THE DEMONSTRATION

The 1962 report of the Outdoor Recreation Resources Review Commission affirms the serious locational imbalance between this Nation's outdoor recreation areas and its people. "Most of the recreation acreage is in the West, but most of the people are not * * * and this is particularly true of Federal land."¹ Current studies by the Bureau of Outdoor Recreation highlight the need for continuing efforts at various levels of government to correct this imbalance within

¹ "Outdoor Recreation for America," pp. 56-57.

the next several years. For example, an analysis² made at the request of the Bureau of the Budget of Federal allocations in fiscal year 1965 to outdoor recreation land acquisition, development, and construction confirms the imbalance reported by ORRRC and recommends priority in Federal allocations for outdoor recreation in all States east of the Rocky Mountains until the imbalance is corrected.

Many Eastern States have authorized, or are considering, multimillion-dollar programs of public land acquisition for outdoor recreation. The recent passage of the Land and Water Conservation Fund Act of 1965 is expected to provide about \$180 million of Federal money annually over its first 10 years for planning, acquisition, and development of outdoor recreation areas, with the moneys allocated to the States to be matched on a 50-50 basis. One author, looking at the problem recently, states: "The land is our vital and unifying resource, and the competition among those that would develop it is often intense and bitter. Only recently have public programs devoted to preserving open space for social amenities been enacted. Many of these programs, however, lack standards and a sense of direction * * * further requirements for open space must be determined before major public expenditures are made."³

The Land Between the Lakes, located near the center of that part of the United States lying east of the Rocky Mountains, is admirably suited to serve as a demonstration for the officials, agencies, and organizations that will determine where and how future recreation expenditures will be made. Its usefulness will not be limited to public agencies. The Nation's efforts to achieve the Great Society must also include extensive private efforts to create jobs in outdoor recreation services to replace those displaced through automation. These efforts will result in the diversion of many thousands of acres from agriculture and single-purpose forest management into private programs wholly or partially devoted to providing recreation services.

The experience to be gained in developing the Land Between the Lakes from a basically unproductive area into a highly productive recreation asset can therefore be applied widely throughout the eastern United States on hundreds of millions of vacant and idle acres in the Tennessee Valley region, in Appalachia, the Ozarks, the Lake States, the Piedmont, and the coastal plain—even in New England and the highly industrialized Middle Atlantic States.

SUBCOMMITTEE RECESS

Senator HILL. Is there anything anyone else would like to add? If not, the committee will now recess.

(Whereupon, at 4:40 p.m., Friday, July 16, 1965, the subcommittee was recessed, subject to the call of the Chair.)

² Analysis of Federal allocations to outdoor recreation land acquisition and development/construction, fiscal year 1965, and outdoor recreation loans and grants, fiscal year 1964 (draft report) BOR, Sept. 15, 1964.

³ Gerald F. Vaughn, "In Search of Standards for Preserving Open Space," in *Public Administration Review*, December 1964, vol. XXIV, No. 4, pp. 254-258.

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