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BANKS LAKE RECREATION

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HEARING
BEFORE THE
SUBCOMMITTEE ON
IRRIGATION AND RECLAMATION
OF THE
COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS
UNITED STATES SENATE
EIGHTY-NINTH CONGRESS

FIRST SESSION

ON

S. 2310

A BILL TO AUTHORIZE THE SECRETARY OF THE INTERIOR TO DETERMINE THAT CERTAIN COSTS OF OPERATING AND MAINTAINING BANKS LAKE ON THE COLUMBIA BASIN PROJECT FOR RECREATIONAL PURPOSES ARE NONREIMBURSABLE

AUGUST 30, 1965

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HEARING
BEFORE THE
SUBCOMMITTEE ON
IRRIGATION AND RECLAMATION
OF THE
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

HENRY M. JACKSON, Washington, *Chairman*

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CHAPTER I

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BANKS LAKE RECREATION

MONDAY, AUGUST 30, 1965

U.S. SENATE,
SUBCOMMITTEE ON IRRIGATION AND RECLAMATION OF THE
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
Washington, D.C.

The subcommittee met, pursuant to call, at 11 a.m., in room 3112, Senate Office Building, Senator Clinton P. Anderson (chairman of the subcommittee) presiding.

Present: Senators Anderson, Burdick, and Jordan of Idaho.

Also present: Jerry T. Verkler, staff director; Stewart French, chief counsel; and Crocker Price, assistant minority counsel.

Senator ANDERSON. The subcommittee will please be in order.

This is a public hearing, held pursuant to notice, by the Irrigation and Reclamation Subcommittee of the Senate Interior Committee, on S. 2310, a bill to authorize the Secretary of the Interior to determine that certain costs of operating and maintaining Banks Lake on the Columbia Basin project for recreational purposes are nonreimbursable.

S. 2310 is sponsored by the distinguished chairman of the Interior Committee, Senator Jackson, for himself and his colleague from the State of Washington, Senator Magnuson. Without objection, I will direct that the text of the proposed legislation, together with the reports of the executive agencies concerned, be made a part of the record at this point.

(The information referred to follows:)

[S. 2310, 89th Cong., 1st sess.]

A BILL To authorize the Secretary of the Interior to determine that certain costs of operating and maintaining Banks Lake on the Columbia Basin project for recreational purposes are nonreimbursable

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That pending additional development of the Columbia Basin project, Washington, the Secretary of the Interior is authorized, when estimated added benefits will at least equal added costs, to operate and maintain Banks Lake of said project for recreational purposes consistent with authorized project functions, valid contracts, and within limits of pump and canal capacities, and that any increased operation and maintenance costs for filling of Banks Lake and for maintaining water levels for the benefit of recreational purposes, including fishing and hunting, as determined by the Secretary of the Interior shall be nonreimbursable and nonreturnable: *Provided*, That the provisions of this Act shall not extend beyond the end of the sixth calendar year following the date of enactment.*

BANKS LAKE RECREATION

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., August 26, 1965.

Hon. HENRY M. JACKSON,
*Chairman, Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.*

DEAR SENATOR JACKSON: This responds to your request for the views of this Department on S. 2310, a bill to authorize the Secretary of the Interior to determine that certain costs of operating and maintaining Banks Lake on the Columbia Basin project for recreational purposes are nonreimbursable.

We recommend enactment of the bill.

S. 2310 would authorize the Secretary of the Interior, pending completion of the Columbia Basin project, to operate and maintain Banks Lake of that project for recreation purposes as well as presently authorized project purposes for a period of not to exceed 6 years. The bill would impose certain qualifications on operation for recreation purposes; these are that the estimated additional benefits from that purpose shall at least equal the added costs attributable to it, and that operation will be consistent with other authorized project functions, valid contracts and within limits of pump and canal capacities. The increased operation and maintenance costs incurred in filling the reservoirs and maintaining water levels for recreation, including fishing and hunting, are made nonreimbursable and nonreturnable by the bill.

Banks Lake is an equalizing reservoir of the Columbia Basin project. It stands at a higher elevation than Franklin D. Roosevelt Lake behind Grand Coulee Dam and is filled by pumping from the main stream reservoir. As Banks Lake is now operated for irrigation alone, the water level fluctuates rather widely, particularly during the summer season. This is undesirable from the standpoint of recreation use. Stabilization of water levels at Banks Lake would enhance values for most recreation users of the area but would be especially beneficial for the more effective utilization of existing and planned facilities at Coulee City adjacent to Dry Falls Dam.

A study by the Bureau of Reclamation of the project water supplies of the Columbia River indicates that in 3 or 4 of the next 6 years operating conditions will permit some additional pumping to reduce reservoir fluctuations. During the remaining 2 or 3 years recreational interests would need to adjust to fluctuating water levels by planning on the use of floating docks, longer boat ramps and other features which would create the greatest possible recreational benefits under such conditions.

Under the provisions of S. 2310 we would expect that added pumping costs in the 3 or 4 years when such operations would be feasible would average about \$21,000 per year. In these years the added recreation benefits derived from maintaining the reservoir at a fixed level would range from \$21,000 to \$60,000 annually.

The proposed plan contemplates that a pumping plant, presently operated by the Federal Government only for irrigation purposes, will be operated more frequently to serve an additional purpose: recreation. This can be done only for a few years—until more extensive development of the Columbia River system renders it impractical. During this short period it will be almost impossible to predict, with any certainty, the extent to which the project can be operated at any given time for the recreation purposes already described. This unpredictability would, in turn, make it virtually impossible for any non-Federal agency interested in the recreation potential of the project to attempt to recover the costs of its operations from user fees or other methods of self-help financing. The Federal Government is the only agency which has a broad enough base to pick up these expenses on those fortuitous occasions when the project can be operated for recreation purposes.

We do not anticipate that the treatment which we recommend here is of a recurring type. The action which we recommend on this bill is consistent with the position taken earlier by the Department on a similar bill, S. 2493 in the 88th Congress.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

KENNETH HOLUM,
Assistant Secretary of the Interior.

Senator ANDERSON. Banks Lake is an equalizing reservoir of the Columbia Basin project at Grand Coulee Dam. It is at a higher elevation than Franklin D. Roosevelt Lake behind the dam and it is filled by pumping from the mainstream reservoir. Presently it is used entirely for irrigation purposes, and these uses cause wide fluctuations in the level of Banks Lake. Such fluctuations interfere very substantially with recreational uses.

S. 2310 would authorize the Secretary of the Interior to alter the pumping schedule into Banks Lake, when conditions permit, to reduce these fluctuations, and the additional costs associated with this operation would be nonreimbursable.

The amounts involved are small—probably about \$21,000 a year would be incurred in perhaps 4 out of 7 years. This unpredictability as to both time and cost makes it virtually impossible for any non-Federal agency interested in the recreation potential to attempt to recover the costs of the additional pumping from user fees or other methods of self-help financing.

Thus, the development and operation of the recreation potential at Banks Lake is a clear exception to the guidelines for local cost sharing we worked out on S. 1229, which became Public Law 89-72.

Before bringing these brief opening remarks to a close, it should be noted that S. 2310 is a successor bill to S. 2493 of the 88th Congress, which also was sponsored by Senators Jackson and Magnuson. S. 2493, however, included the Potholes Reservoir in its provisions. Potholes has been dropped in S. 2310.

Last year's bill passed the Senate on March 6, 1964, but died in the House Interior Committee.

I am glad indeed to have the distinguished chairman of the Committee, Senator Jackson, with us this morning to explain in detail the need for the bill.

Senator Jackson.

STATEMENT OF HON. HENRY M. JACKSON, A U.S. SENATOR FROM THE STATE OF WASHINGTON

Senator JACKSON. Mr. Chairman, I regret that because of the fact that I am chairing a meeting of the Subcommittee on National Security and International Operations, at which Mr. William McClesney Martin is appearing as the witness, I will not be able to stay through this hearing.

The Banks Lake proposal was gone into last year and the bill was reported and passed by the Senate. Frankly, I think the bill sets forth a reasonable interim arrangement. The authorization only runs for 6 years. Estimates of the costs involved, which would be non-reimbursable, approximate \$21,000 a year for 4 out of 7 years. That is the estimate.

At the time it was authorized, as you know, Grand Coulee was not authorized in the regular way. Grand Coulee came in as a part of an allocation of funds by President Roosevelt under the Public Works Administration. He simply allocated, I think it was, \$50 or \$60 million to get it started. But if it had been authorized on the basis in which we are currently authorizing projects, the authority provided in S. 2310 would have been included as a part of the multiple-purpose development.

I do believe the Bureau of Reclamation should be given this authority so that they can better regulate Banks Lake, which, as the chairman will recall, is the lake that runs some 27 miles above Coulee. It is in the old basin of the river. It is a great recreational area. The problem has been that, without any coordination, the water level drops tremendously and, of course, makes fishing, boating, and other recreational activities utterly impracticable.

It is a small sum of money that is involved here. The bill also contains a cutoff date since this is only an interim measure.

Senator Magnuson and I have a statement which I will ask to be inserted in the record at this point.

(The statement referred to follows:)

STATEMENT OF HON. HENRY M. JACKSON, A U.S. SENATOR FROM THE STATE OF WASHINGTON, FOR HIMSELF AND SENATOR MAGNUSON

Mr. Chairman, I am pleased to have the opportunity to present this statement in support of S. 2310, a bill cosponsored by my colleague Senator Magnuson and myself. The bill would authorize the Secretary of the Interior to determine that certain costs of operating and maintaining Banks Lake on the Columbia Basin project for recreational purposes are nonreimbursable.

This bill is similar to S. 2493 which the full committee and the Senate approved in the last Congress. This is strictly an interim measure and covers only a 6-year period. The bill is designed to meet a current problem and is not intended to affect or prejudice the study now underway by the Department of the Interior of the recreation and fish and wildlife aspects of the Columbia Basin project.

The purpose of the bill is simple: it is to permit the Federal Government to bear the costs of pumping to stabilize the water level for recreational activities in Banks Lake. The annual costs will be approximately \$21,000, and it is estimated that pumping would be feasible only in 4 out of the next 7 years. During the other 3 years it is expected from past studies that limited water supplies would preclude extra pumping costs for added recreational benefits.

The subcommittee is fully aware, as I am, that operating and maintenance costs of Federal projects are normally reimbursable and should be borne by non-Federal interests. This is the pattern which the Congress has just recently approved in the Federal Water Project Recreation Act. In this specific case, however, I wish to call to the attention of the subcommittee the judgment of the Bureau of the Budget, which has advised me that, "we consider the facilities in question, namely, the pumps, to be physically inseparable from the Federal project for operational purposes, subject, of course, to appropriate existing contracts with irrigators * * * we would not expect non-Federal interests to bear operation and maintenance costs of such physically inseparable project works as contemplated in S. 2310."

The subcommittee can easily appreciate that fluctuations in the water level of Banks Lake can be quite disruptive of recreational activities. Fluctuations in Banks Lake range usually between 8 and 14 feet. The lake is used by residents from all parts of Washington State for a great variety of such activities. Recreation is already an important resource of Grant County. Strong support for the bill has been expressed by the local chambers of commerce. I understand from them that when Banks Lake is at its full level, the water comes up into the city park, built at a cost of \$50,000, all of which was local money. A small drop in the water level leaves several feet of beach uncovered and a large drop in the lake level creates a swampy condition for several hundred feet. During these times the lake is simply inaccessible through the city park facilities. A sharp drop in tourist use of docking and camping facilities, and in tourist expenditures, understandably occurs.

In view of the very small cost involved and the uniqueness of the situation, I would hope that the Congress would approve S. 2310 as an interim measure to assist non-Federal interests and recreationists.

Senator JACKSON. Congressman Foley has a statement, also. He is tied up over in the House where Mr. Goldwater is testifying on the central Arizona project. I ask that Mr. Foley's statement in support of S. 2310 be included in the record at this point.

Thank you, Mr. Chairman.

(The statement referred to follows:)

STATEMENT OF HON. THOMAS S. FOLEY, A U.S. REPRESENTATIVE IN CONGRESS
FROM THE STATE OF WASHINGTON

Mr. Chairman, it is always a pleasure for me to testify before this distinguished subcommittee. This morning, I would like to present my comments on S. 2310, which has been introduced by Senator Jackson and Senator Magnuson.

This bill would authorize the Secretary of Interior to operate and maintain Banks Lake in eastern Washington for recreation purposes as well as presently authorized uses.

Banks Lake serves as the equalizing reservoir for the Columbia Basin project. It has been maintained by the Bureau of Reclamation primarily for irrigation purposes.

Nevertheless, this lake is considered one of the finest fishing lakes in the State. It has attracted thousands of sportsmen from throughout the Pacific Northwest.

Banks Lake has the potential of becoming one of the most popular recreational lakes in the State but the fluctuation of the water level has prevented the full development of its recreation possibilities.

There is no question that stabilization of the water level at this lake would greatly enhance the recreational values.

The Bureau of Reclamation has indicated that during 3 or 4 of the next 6 years, operating conditions will permit additional pumping to reduce the changes in the level of the reservoir. The recreation benefits of such pumping is expected to equal or exceed the annual costs of the added pumping.

The bill provides for stabilization of the lake level for recreation for a period of several years to provide time for adjusting the recreational developments to the lake level fluctuations that will be necessary with more extensive development of the Columbia River system.

I urge the favorable action by the subcommittee.

Again, Mr. Chairman, I appreciate this opportunity to present my views.

Senator ANDERSON. Mr. Stamm, from the Bureau of Reclamation, will be the next witness.

We have had a statement from Senator Jackson, the committee chairman, and a written statement from Congressman Foley.

We will be glad to have your testimony at this time, Mr. Stamm.

STATEMENT OF GILBERT G. STAMM, ASSISTANT COMMISSIONER,
BUREAU OF RECLAMATION; ACCOMPANIED BY ROY BOYD,
BUREAU OF RECLAMATION; AND FRANK POTTER, OFFICE OF
THE SOLICITOR, DEPARTMENT OF INTERIOR

Mr. STAMM. Thank you, sir.

We are pleased to appear here this morning.

Senator ANDERSON. Would you identify yourself for the record?

Mr. STAMM. I am G. G. Stamm, Assistant Commissioner, Bureau of Reclamation. On my left is Mr. Roy Boyd, Bureau of Reclamation; and Mr. Frank Potter, of the Solicitor's Office.

S. 2310 would authorize the Secretary of the Interior, for a period of 6 years, to determine that certain costs of operating and maintaining Banks Lake for recreation purposes are nonreimbursable. Qualifications imposed by the bill are that the estimated additional

recreational benefits shall, at least, equal the added costs and that the operation shall be consistent with authorized project functions, valid contracts, and within limits of pump and canal capacities. This bill is intended as an interim arrangement pending more complete development of the Columbia Basin project and possible future legislation authorizing reallocation of project costs to recognize recreation as a project function.

A study of the Columbia Basin project, reflecting all features and functions of the existing project and the proposed extensions, is underway. It is expected that the completed study will demonstrate the justification for including recreation and fish and wildlife enhancement as project purposes, and will also provide a basis for allocation of project costs among all functions to be served.

Most of you are familiar with the details of the Columbia Basin project. To save the committee's time, there is attached to my statement a reprint from our project data book which describes the project features, reviews the early history, authorization, construction, project purposes, and benefits, and includes a small map showing the location of Banks Lake and other project features. This attachment, incidentally, is somewhat out of date. On page 7 we have brought several of the tables up to date, showing information on irrigation development and power operation.

PRESENT CONDITIONS

Banks Lake has an active storage capacity of about 700,000 acre-feet. Water from Roosevelt Lake is pumped into Banks Lake through an average pump lift of approximately 300 feet. In the interest of keeping irrigation operation and maintenance costs as low as possible, pumping into Banks Lake is done when low value secondary energy is available for pumping and when water levels in Roosevelt Lake are high. Releases from Banks Lake are made as needed for project irrigation. Thus, Banks Lake serves as a necessary equalizing or reregulating reservoir. During the next 6 years, approximately 2½ million acre-feet of water will be pumped into Banks Lake annually. This quantity of water is 3½ times the active storage capacity of the reservoir.

As a normal operation, irrigation withdrawals from Banks Lake begin in late March and the reservoir recedes until pumping begins. Pumping to Banks Lake begins about mid-April, but it is at a reduced rate because of limited available secondary power (power requirements are coordinated with Bonneville Power Administration), or low water level in Franklin D. Roosevelt Lake, or both. It usually is not until sometime in May that the pumping rate exceeds the withdrawal rate. Then, with the pumping rate in excess of irrigation demands, the reservoir level rises from a water level sometimes as low as elevation 1,552 feet, to a maximum elevation of about 1,570 feet at the end of September.

After pumping to Banks Lake is discontinued (again correlated with other power requirements), the reservoir level gradually declines, because of irrigation withdrawals, until the end of the irrigation season. The reservoir level then remains nearly constant at about 1,565 feet elevation during the nonirrigation season.

The increased use of Banks Lake for recreation in recent years has led to repeated requests from representatives of recreational interests for the Bureau of Reclamation to reduce, or to eliminate entirely, the water level fluctuations that occur at Banks Lake. Compliance with such requests would add materially to the operating costs of the project.

The additional costs would depend upon the extent that the reservoir operations were modified. Studies indicate that such added costs could range from an annual figure of \$21,000 to limit fluctuations to about 5 feet (when water supply conditions would permit) to annual costs exceeding \$5 million, if we were to undertake the very unrealistic approach of allowing practically no reservoir level fluctuations.

The estimated cost of \$5 million is based upon the assumption that a bloc of firm power would have to be reserved to permit pumping at any and all times in sufficient quantity to equal concomitant releases. This would result in removing from the power market a bloc of project generating capacity having an annual value of over \$5 million.

Senator ANDERSON. Do you know what the actual cost is going to be? You say from \$21,000 to \$5 million. That is quite a range. Is it a question of \$1, \$2, or \$4 million?

Mr. STAMM. We would propose that we would only do this in years—and I come to this a little later in my statement—when the benefits exceed the costs. We are estimating an annual cost of about \$21,000. I will come to that later.

Senator ANDERSON. Tell us whether the costs will be \$21,000 or \$3 million, when you come to it. There is a difference between them.

Mr. STAMM. If estimated costs are expected to be in excess of the benefits in any particular year, we would not operate for recreational benefits.

Senator ANDERSON. Is there any thing in the bill that would hold you to that?

Mr. STAMM. The language of the bill states that—

The Secretary is authorized, when estimated added benefits will at least equal added costs, to operate and maintain Banks Lake for recreational purposes.

The bill provides that the benefits must at least equal the cost.

Senator ANDERSON. Let me go back to what is distressing me about it.

In Oklahoma we have one small lake that has more fish and wildlife benefits than all the upper Colorado River storage projects. They can put up to \$100 million a year into fish and wildlife projects—well, not that much, perhaps. But you can go to extravagant lengths on fish and wildlife.

Does that mean that if the benefits were \$5 million for recreation, you could expend that sum of money?

Mr. STAMM. No, sir. The average annual benefit over the 6-year period covered by the legislation would average about \$60,000 a year, and we are estimating—

Senator ANDERSON. If we are dealing with \$60,000 a year, that is one thing. If we are dealing with \$600,000 a year, that is something else; and \$5 million a year is something else again.

Mr. STAMM. Yes, sir; I agree.

Senator ANDERSON. I hope your testimony nails it down to something specific.

Mr. STAMM. If the remainder of the statement is not sufficiently specific, I will be glad to add to it, Mr. Chairman.

Senator ANDERSON. Very well. I wanted to be sure this was made clear as you went along.

Mr. STAMM. Surely.

Actually, the pump lift relative to the water level in Franklin D. Roosevelt Lake and the size of the project canal capacities, which were designed on the assumption that storage regulation would be available in Banks Lake, would in many years prevent, or at least severely limit, complete stabilization of the reservoir level. However, we believe that possibly 50 percent of the time, or more, operating conditions would permit an adjusted pumping schedule to reduce reservoir fluctuations. However, in doing so, pumping costs would be greater.

Under the present project authorization such operating costs are reimbursable by the water users. We do not believe it is proper or consistent with longstanding policy to include such costs in the Government's water charges to the irrigation districts. The allocation of a firm block of project power to pump solely for recreation purposes, as has been suggested by some, is not consistent with the authorized functions of the project.

The financing of added pumping costs by local recreational organizations would be difficult to justify during the next 6 years, because of the uncertainty now of predicting the years in which governing criteria would permit operation to obtain benefits at least equal to costs. The extent of lake level stabilization that could be accomplished would have a direct effect on the amount of income which could be derived from admittance or use charges levied against those using the recreational facilities.

BENEFITS FROM MODIFIED OPERATIONS

Studies indicate that during the next 6-year period there will probably be 3 or 4 years when operating conditions (water supply, power requirements, and canal capacities) will be such that it would be justified to modify reservoir operations to benefit recreation, provided the added costs were not chargeable to irrigators.

During these years, the reduction of reservoir fluctuations would provide added recreational benefits estimated to average \$60,000. The average added annual operating costs for this purpose are estimated at \$21,000, with an overall benefit-cost ratio of 2.86 to 1.

In years when conditions would not permit pumping for recreation, because of interference with commitments for power production and delivery of water for irrigation, little or no added costs for recreation would be incurred.

As I mentioned earlier, a comprehensive study of operations and multiple benefits of the entire Columbia Basin project is now underway. Among other things, this investigation will evaluate the costs and benefits of providing larger, assured water supplies to accomplish fish and wildlife and recreation purposes at various facilities over the project, including Banks Lake.

Enactment of S. 2310 will create opportunities for increased recreation at Banks Lake during the interim period required for study and consideration of long-range legislation.

Among the expected enlargements and modification of the project that affect long-term operations are the third powerplant at Grand Coulee Dam, the upstream reservoirs in Canada as permitted under the Columbia River compact of 1965, and the ultimate extension of irrigation facilities to serve over 1 million acres. Presently served lands total less than one-half million acres.

We believe that enactment of S. 2310 would provide a practical and financially sound basis on which to operate Banks Lake during the interim period while the long-range studies and adjustments are proceeding.

Senator ANDERSON. To go back to the last paragraph at the bottom of page 5, you expect enlargements and modifications of the project, et cetera, and you mention the third powerplant at Grand Coulee Dam. How does that relate to the project?

Mr. STAMM. Our policy has been, and the design of the project to date including Banks Lake has been, that we would propose to use low-value, off-peak power for pumping. And the pumping rate currently for pumping power is one-half mill, for example.

Senator ANDERSON. Would it be lower?

Mr. STAMM. No, it would not be lower.

Senator ANDERSON. Then how does it affect this project?

Mr. STAMM. Because irrigation water is pumped from Roosevelt Lake to Banks Lake, and the elevation of the water in Roosevelt Lake has a significant effect upon the cost of the pumping to Banks Lake. As the Roosevelt Lake water level goes down, the pumping cost goes up substantially because of added pumping lift required of the pumps.

Senator ANDERSON. Will the construction of a third powerplant at Grand Coulee Dam have anything to do with the level at Roosevelt?

Mr. STAMM. The construction of the third powerplant and additional storage facilities in Canada for regulation of the stream flow will have an effect upon the lake level of Lake Roosevelt at various times during the year. The supplemental power contracts that will result from the marketing of the power from the third powerplant will have an effect, also, upon the seasonal generation of power and the seasonal elevations of Lake Roosevelt.

We attempt to pump when the pump lift is at a minimum, and always when offpeak power is available.

Senator ANDERSON. Offpeak power is not available, is it, most of the year?

Mr. STAMM. It is not available 100 percent of the time.

Senator ANDERSON. I wouldn't think so. It would be firm, if it was available 100 percent of the time.

Mr. STAMM. That is right. So we withhold pumping in the early spring until the level of Lake Roosevelt comes up somewhat, and then we limit pumping to periods when offpeak power is available. If we were to reserve a block of power to permit us to pump at all times, or any time, then we would have to withdraw from our contractors a block of firm power.

Senator ANDERSON. They built a little flood control dam in my State and everybody liked it so well they wanted to get a motorboat

and go to work on it right away. The Bureau of Reclamation said, "No, it must be drained." And it was. There was a big outcry about it.

Suppose you have recreational facilities up there and the level of Lake Roosevelt stays down. Wouldn't you get pressure to build it up for recreational activities?

Mr. STAMM. That is exactly what has given rise to this legislation. The lake level drops down. It is usually at its lowest point about the first of May and the highest point late in September. It is actually open for fishing on a year-round basis.

Senator ANDERSON. How does this bill affect that?

Mr. STAMM. This bill would permit us to do additional pumping, which would cost more money, in order to stabilize the lake level for the benefit of recreation, and would make the additional cost of that operation nonreimbursable over the next 6 years.

Senator ANDERSON. That is what I was trying to get at. In order to do this job, you have to pump when you ordinarily wouldn't pump, and the Federal Government pays that toll for the sake of the recreationists.

Mr. STAMM. Yes, sir. We would start pumping earlier and we would pump more steadily.

Senator ANDERSON. Do you charge the recreationists anything for that?

Mr. STAMM. During the effective period of this bill, the added cost would be all nonreimbursable.

Senator ANDERSON. So you don't charge the recreationists anything for it?

Mr. STAMM. No, sir.

Senator ANDERSON. All you do is provide some extra recreation. That is all this bill is intended to do?

Mr. STAMM. Yes, sir.

Senator ANDERSON. It seems like a strange proposal.

Senator BURDICK. Who pays the \$60,000 a year? Is it based on the power account?

Mr. STAMM. No, sir; we estimate that this cost will average \$21,000 a year.

Senator BURDICK. You said \$60,000 in the statement.

Mr. STAMM. We say that the benefits will average \$60,000. But the cost will average \$21,000.

Senator BURDICK. But the cost can equal the benefits, you said.

Mr. STAMM. The bill says they cannot exceed the benefits in any year.

Senator BURDICK. So it would be, 60,000, then, on an average?

Mr. STAMM. In any year, the costs cannot exceed the benefits. We are saying over the 6-year period we estimate that the benefits would average \$60,000, the cost would average \$21,000. So we have a benefit-cost ratio of 2.8 to 1.

Senator BURDICK. Therefore, the pumping could come up to \$60,000 a year?

Mr. STAMM. Well, it—

Senator ANDERSON. It could cost a million dollars a year, couldn't it?

Senator JORDAN. Mr. Chairman, I have a suggested amendment. I am apprehensive about this wide range of \$21,000 to \$5 million.

Why can't we say "Pending additional development of the Columbia Basin project, Washington, the Secretary of the Interior is authorized, when estimated added benefits will at least equal added costs, to operate and maintain Banks Lake of said project for recreational purposes, at a cost not to exceed \$21,000 per year, consistent with authorized project functions."

Senator ANDERSON. That would spoil it, wouldn't it?

Mr. STAMM. No, sir; not necessarily.

Senator ANDERSON. You would want to pay more.

Mr. STAMM. No; the \$21,000 is fine. I would suggest that you slip in the word "average"—"average cost of \$21,000". One year it might be \$25,000 and the next year \$15,000.

Senator JORDAN. Or \$5 million?

Mr. STAMM. No, sir; you couldn't have a \$5-million year and average out at \$21,000.

Senator ANDERSON. Tell me how you can anticipate what the average will be in advance. They say the average fire loss of the United States is so many millions per year, including 1966, 1967, 1968, 1969, and 1970. You have to know in advance, and you can't tell that, can you?

Mr. STAMM. No; we cannot tell that precisely. That is why we say 3 or 4 of the next 6 years it will be advantageous to operate for recreation. We think in 2 or 3 years it will not be advantageous. We can only base our estimate on past history and experience.

The pumping plant ultimately will include 12 pumps. Only 6 are installed now. The irrigation demand goes up every year. As a matter of fact, from 1958 to 1964, the acreage irrigated increased almost 100,000 acres. So the withdrawal goes up each year, as the irrigation demand goes up. We have less ability to stabilize the lake level as the irrigation demand goes up.

After 6 years, we could accomplish very little by manipulating the pumping schedule within the offpeak power limitation.

Senator ANDERSON. What will happen then?

Mr. STAMM. Then, it will fluctuate and there will be nothing we can do about it, unless at that time we have installed additional pumps.

Senator ANDERSON. The recreation service will just die at that time?

Mr. STAMM. We are making a study, as I indicated, of the total picture.

Senator ANDERSON. I know, but in this particular picture.

Mr. STAMM. No; in this particular picture, I can't tell you precisely now. It might be that during the 6-year period we would obtain authority to install, say, three more pumps. We are going to have 12 ultimately. We have 6 now. Suppose we install additional pumps, which then gives us added capacity to pump at a more rapid rate, and we could use the additional pumping capacity to level off the lake.

Senator ANDERSON. The pumps aren't free; are they?

Mr. STAMM. No, sir. But to serve the million-acre project, we must have 12 pumps eventually. We put them in in stages, because there was no point in putting in the 12 initially.

Senator ANDERSON. You are referring to the whole Columbia River project now, when you are talking about 1 million acres?

Mr. STAMM. Yes, sir.

Senator BURDICK. The project will pay for the pumps?

Mr. STAMM. Yes. The cost of the pumps that are there now are totally reimbursable. And the operation and maintenance costs to date are 100-percent reimbursable.

Senator JORDAN. Will it be the purpose of the Department, Mr. Stamm, to go back and open up all of these old reclamation projects that were authorized at a time when recreation was not considered one of the benefits, and to superimpose new recreation benefits on the cost structure and the payout? Well, there wouldn't be any payout on it, because this is intended to be nonreimbursable. But aren't you starting something here now that will cause a flood of bills in here? I know several of the projects in my own State that carry no recreational benefits with them whatsoever, and we can certainly conjure up some very handsome programs.

Mr. STAMM. Senator Jordan, as you know, the cost-sharing recreation bill has just passed this session of the Congress, so recently that we haven't had a chance to review our old projects under the authority of that act. But we do propose to take a look at all the existing projects under the authority of that act. That act permits us to investigate, plan, construct, operate, and maintain certain facilities for recreational purposes, provided we find somebody who is willing—some non-Federal agency that is willing—to pick up the tab for all of the operating and maintenance costs.

Senator ANDERSON. Is there any Federal agency or non-Federal agency willing to pick up this tab at Banks Lake?

Mr. STAMM. Not for this 6-year period, because of the question you raised. We are unable to predict now which years will have the recreational benefit. Because of the uncertainty of knowing which out of the next 6 years we can accomplish this benefit within the formula, nobody can build up a business and charge fees and depend upon the regulation that would be necessary to yield the return to make the payment.

Senator ANDERSON. Doesn't that also apply to the subsequent period, when you are going beyond the 6 years? Is there any assurance beyond the 6 years? What happens then?

Mr. STAMM. Beyond the 6 years, there is nothing we could do unless there were additional authorities made available to us, including funds.

Senator ANDERSON. These are charged to the Basin account, are they?

Mr. STAMM. There is no Basin account for the Columbia.

Senator ANDERSON. Where do you get the money? Do you get it from the Federal Treasury?

Mr. STAMM. If this bill is enacted, the appropriations to operate for this purpose would be included in our annual request for appropriations. But this portion of the money appropriated would be accounted for on a nonreimbursable basis.

Senator ANDERSON. That is another way of answering the question. Does it come from the Federal Treasury?

Mr. STAMM. Yes, sir; it does.

Senator BURDICK. It doesn't come from any of the funds from the power revenues?

Mr. STAMM. No, sir.

Senator ANDERSON. Are you prepared to recommend this same program around the country?

Mr. STAMM. No, sir. We think that the recreation bill that passed this year will, in large measure, take care of all future recreational recommendations in connection with our existing projects.

Senator ANDERSON. Then, why can't this come under it?

Mr. STAMM. The recreational bill—and I am talking about my own interpretation of it now—talks in terms of facilities, and it says that the operation and maintenance costs of separable facilities for recreation can be turned over to a non-Federal agency to operate and should be paid totally by the non-Federal interests.

There are no separable facilities here. This is a pumping plant that is needed for irrigation.

Senator ANDERSON. But there are separable costs, aren't there?

Mr. STAMM. Yes, sir. There is a separable operating and maintenance cost.

Senator ANDERSON. Therefore, under the same ruse, this should be turned over to some agency to pick up the tab.

Mr. STAMM. The facility we are talking about is the pumping plant. The other facilities, such as the boat ramps and picnic areas, and so on, have been developed by others.

Senator ANDERSON. Is this a sort of private relief bill for those others?

Mr. STAMM. Well, they have some boat ramps that are not long enough, and when the lake level gets down to its low point, the ramps are not long enough to reach the water.

Senator ANDERSON. Are we trying to help the farmers out there, or the operators of these boat ramps?

Mr. STAMM. This bill is strictly in the recreational interest. We take care of the farmers under our existing authorizations, development and operating policies, and in so doing we keep their costs at a minimum.

Senator ANDERSON. This doesn't develop any new recreational facilities, but it just permits greater use of them; is that right?

Mr. STAMM. This permits a leveling out of the fluctuation for the benefit of recreation; yes, sir.

Senator JORDAN. And laying a foundation for 6 years from now to come in and put the bite on Congress for an elaborate nonreimbursable program for recreation. Isn't that about what you are doing here?

Mr. STAMM. The Columbia Basin project was authorized and started, as you know, 30 years ago, or more. A pretty small portion of the cost was allocated to flood control, nothing to recreation, nothing to fish and wildlife. We have developed about 50 percent of the irrigation facilities. We are proposing, as you know, a third powerplant. In response to your question, yes, we do have in mind sometime after the study is completed, and if it seems justified, suggesting a reallocation of costs on the Columbia Basin project.

This proposal might suggest and recommend an allocation of costs to fish and wildlife and recreation, not only for Banks Lake, but for the project as a whole.

Senator BURDICK. Then you anticipate making it part of a project cost 6 years from now?

Mr. STAMM. Presumably at that time any allocation or a part of the allocation to fish and wildlife and recreation would be nonreimbursable, and a part of it would be chargeable to the project; yes, sir.

Senator BURDICK. Why is it not charged to the project now?

Mr. STAMM. Now it is all charged to the project.

Senator BURDICK. I mean this additional power, whether \$21,000 or \$60,000; why could not that be charged to the project?

Mr. STAMM. We have no authority to charge it to anybody but the farmer, and we don't think they ought to pay the cost of operating for the benefit of the recreational interests.

Senator ANDERSON. I wish the recreationists would operate to the benefit of the taxpayer. You are putting the bite back on him. Why couldn't the Bureau of Outdoor Recreation operate the project? Why couldn't the State of Washington operate the project, from the Land and Water Conservation Fund?

Mr. STAMM. This operation, Senator Anderson, is the operation of a pumping plant which is put there solely for irrigation. And the pumping plant is operated in connection with the dam and powerplant.

Senator ANDERSON. I am not worried about that. The pumping plant is there. Can't the operators of this facility or the land and water conservation groups pay for the current, just as well as the Federal Government can pay for it? Is there something special about the Federal Government paying the tab?

Mr. STAMM. If we could predict what we can do for each of the next 6 years so that some local group could base its operations accordingly, and if there were an organization there, yes, we certainly would make every effort to contract with a local group to pick up the cost.

And we will do that in the future. But as of now, with the changing situation each year, the lack of an organization, and the fact that this is a power cost primarily which we cannot predict each and every year, it is unrealistic to expect local interests to pick up the tab.

Senator ANDERSON. There will be a benefit every year that you operate, won't there?

Mr. STAMM. No, sir. Out of the next 6 years, we estimate there will be 2 to 3 years when our operations will be just like they would be without this bill and there will be no benefit to recreation.

Senator ANDERSON. You won't pump at all?

Mr. STAMM. Yes, sir; we will pump to meet the irrigation requirements, but we will not do any added pumping for the benefit of recreation. We will not attempt to minimize the fluctuations in 2 or 3 of the next 6 years.

Senator BURDICK. What is the range of fluctuation now? How many feet does it vary?

Mr. STAMM. From 1,545 up to 1,570.

Senator JORDAN. Twenty-five feet?

Mr. STAMM. About 18 feet was the maximum fluctuation prior to 1964.

The 25-foot figure I just gave you was the actual fluctuation in 1964. The average fluctuation is about 15 feet.

Senator ANDERSON. Did you ever consider collecting user fees from that area for having this recreation—entrance fees of some kind or nature?

Mr. STAMM. We have not until now, because we have not operated the recreation facilities.

Senator ANDERSON. Didn't you consider it and reject it?

Mr. STAMM. Sir?

Senator ANDERSON. Didn't you consider and reject the idea of collecting an entrance fee? Didn't the Bureau of Reclamation

consider and reject the idea of collecting entrance fees or user fees for the area, from the recreationists? Did they make a study of it?

Mr. STAMM. Do you mean under the Land and Water Conservation Fund Act?

Senator ANDERSON. I tried to ask a question that could be answered yes or no. Did or did not the Bureau of Reclamation have before it a proposal to collect user fees, and reject it?

Mr. STAMM. I think I could answer that yes, for an interim period.

But remember, we didn't build any facilities here. Had we built the facilities, it would present a little different picture. But we have not constructed these facilities. We have entered into an operating agreement with the State of Washington which in turn has permitted others to build facilities. We are not collecting fees in such cases.

Senator BURDICK. Don't you think maintaining the stable level is a facility?

Mr. VERKLER. Or a service that is required under the act?

Mr. STAMM. Well, no, such a service is not required under any existing act. As I say, the Recreation Act doesn't seem to fit this situation, because the act talks in terms of separable facilities. Here we have no federally built separable facilities. We do have a separable operations and maintenance cost.

Senator BURDICK. It seems to me a stable level is just as important as a boat ramp right now.

Mr. STAMM. I think you are right.

Senator ANDERSON. Especially with a 25-foot fluctuation.

Mr. STAMM. I think you are right, and I think before the expiration of this 6-year period continuation of such a service may be considered but it would require additional legislation.

Senator BURDICK. It would certainly be worth something to recreation.

Mr. STAMM. I think you are right.

Senator JORDAN. Maybe we should amend the Water Project Recreation Act to permit this kind of thing. Perhaps we overlooked it.

Senator ANDERSON. When you start talking about permanent pools for fishing and recreation, and things like that, we make a special provision to charge some agency of the Government for it. I just don't understand this. It seems to be done solely for the benefit of a private concessionaire.

Doesn't it come down to that, really?

Mr. STAMM. It is for the benefit of the recreationists.

Senator ANDERSON. He gets a chance to rent the facilities. He has a monopoly on the facilities and is benefiting, isn't he?

Mr. STAMM. He has the benefit of these facilities; yes, sir.

Senator ANDERSON. And when the water falls down so low he can't reach his boat dock, he can't use it. When you build it back up again, it is solely for his benefit, and he doesn't pay for it.

Mr. STAMM. Under the terms of this bill, the recreationist would not pay specifically for this service, and neither is anybody else directly. It makes the facilities more usable for a greater number of people, with more benefit on a year-round basis.

Senator ANDERSON. And you don't have anything like this anywhere else in the country?

Mr. STAMM. No, sir; I wouldn't say that.

We have nothing exactly like this where the Federal Government is picking up the tab for additional pumping costs to benefit recreation. We have many areas where a stabilized lake level is to the advantage of recreationists, and we get hundreds of letters every year urging us to operate at a more uniform lake level.

Senator JORDAN. Isn't it true, Mr. Stamm, that every irrigation storage project in the United States is faced with the prospect of a fluctuating level?

Mr. STAMM. Yes, sir.

Senator JORDAN. That is the reason the water is stored.

Mr. STAMM. Yes, sir.

Senator JORDAN. If you are going to use it for recreation and you demand a constant water level, those two uses are incompatible.

Mr. STAMM. Yes, sir.

Senator JORDAN. So in order to make the irrigation reservoir use compatible with recreation, you are going to incur an additional cost, which you want the Government to pay. Isn't that it?

Mr. STAMM. That is what the bill provides; yes, sir.

Senator BURDICK. By the way, the Garrison Reservoir is 1,842 feet this year, the highest in history. It varies some 10 or 12 feet. Suppose somebody comes up with the idea to make that 180-mile lake uniform. What would it cost us?

Mr. STAMM. It would probably be out of the question, but people will ask for it, I can assure you. They have asked for it on the Shasta and many others.

Senator ANDERSON. Why would it be out of the question? It is the same principle. The size of the donation doesn't matter, does it? When you start giving money away, you will keep giving it away, won't you?

Mr. STAMM. To hold some of our lakes level would require that we lose water for irrigation. The functions are incompatible, if operation for recreation would take water required for power, irrigation, and other purposes. The Banks Lake proposal doesn't take much additional water. The only additional water it takes is to offset added evaporation from the larger lake area. The cost increase results mostly from pumping at different seasons. It is a change in the pumping schedule that runs up the cost.

Senator ANDERSON. I don't understand why that should be charged against the Federal Government. It is solely for the purpose of recreation.

Mr. STAMM. Yes, sir.

Senator ANDERSON. Why shouldn't the people enjoying the recreation, or having the concession for the recreation, pay the bill?

Mr. STAMM. As you know, the Federal Government, in the Water Project Recreation Act, is providing that a substantial part of recreational costs for all future projects and for past projects will be picked up by the Federal Government.

As a matter of fact, 100 percent of the joint costs for recreational purposes under the new Recreation Act is nonreimbursable, and up to 50 percent of the separable costs for specific fish and wildlife and recreational facilities are nonreimbursable.

Senator ANDERSON. Then, why shouldn't this be handled under the new act?

Mr. STAMM. Because the new act doesn't cover this item. None of these costs are attributable to separable facilities. The facilities themselves are fully reimbursable.

Senator JORDAN. It seems to me that the proper course would be to amend the act to take care of the operating cost as well as the physical cost of facilities.

Senator BURDICK. I share some of Senator Jordan's apprehensions here, because we have reservoirs all over the country. I know in North Dakota they have built cottages, they have boat ramps and everything. I know they will be unhappy with the 10-foot variation. They will be unhappy on smaller reservoirs. We may be opening up a door to do a lot of regulation all over the country.

Mr. STAMM. Presumably, at Garrison, for any specific facilities that are constructed for recreational purposes, including boat ramps and so on, those are separable facilities, and 50 percent of the cost of such facilities would be made nonreimbursable and 50 percent would have to be picked up by a non-Federal interest. Whoever picked up that 50 percent of the cost of the facilities would also pay the related operating and maintenance cost each year.

If we can't find anybody to pick up that tab, then we reformulate the project and leave out the facility.

Senator BURDICK. I know that is an extreme example, but I am sure there are many other reservoirs around the country with similar problems.

Mr. STAMM. We get hundreds of letters a year from all over the West. As Senator Jordan points out, these functions are not fully compatible, and you have to work between them to get a balanced use that is of some benefit to everyone but may not please anyone, really, 100 percent. You have to try to work out a fair compromise.

Senator JORDAN. One of the apprehensions I feel, Mr. Stamm, is that there are more recreationists than irrigators and this reservoir, constructed primarily for irrigation use, will have claims made against it that the recreation use is paramount and we can't draw it down for the purpose for which it was originally built.

Mr. STAMM. Fortunately, the Recreation Act passed by this session of the Congress guards against this. It says we can do these things on existing projects, so long as we do not interfere with the primary functions.

Senator ANDERSON. Senator Jackson, in his statement, has a sentence or two here of interest. He says:

The subcommittee is fully aware that operating and maintenance costs of Federal projects are normally reimbursable and should be borne by non-Federal interests. This is the pattern which the Congress has just recently approved in the Federal Water Project Recreation Act. In this specific case, however, I wish to call to the attention of the subcommittee the judgment of the Bureau of the Budget, which has advised that, "We consider the facilities in question, namely, the pumps, to be physically inseparable from the Federal project for operational purposes, subject, of course, to appropriate existing contracts with irrigators. We would not expect non-Federal interests to bear operation and maintenance costs of such physically inseparable project works as contemplated in S. 2310."

The Bureau of the Budget, apparently, has reached that position on this matter.

Mr. STAMM. That position, Mr. Chairman, I think is consistent with the interpretation of the new Recreation Act, whereby the joint

facilities are nonreimbursable and the O. & M. costs of the joint facilities nonreimbursable. The separable facilities are at least 50 percent reimbursable and 100 percent of the O. & M. costs of the separable facilities are reimbursable.

Senator ANDERSON. Don't you think it would be proper to amend the existing act? There must be other places where you want to do this.

Mr. STAMM. It would be nice if the existing act did cover this situation. We are just beginning a review of our other existing projects under the new act. It will be probably a year before we have completed the review. We would be in a lot better position a year from now to recommend changes in the basic legislation than we are today.

Senator ANDERSON. Is this going to be one of the years in which you will be pumping?

Mr. STAMM. We pump every year. All of the irrigation water—

Senator ANDERSON. I mean pumping at the higher rate? Is this a year when you are anticipating pumping at a higher rate?

Mr. STAMM. This bill would not apply to the current year. If you are talking about next year, we will not make that determination until about March. We will have to look at the anticipated runoff in the Columbia watershed, the level of Lake Roosevelt, the irrigation demands, and then we will decide whether the pumping costs will equal the benefits. We would make that decision in about March.

If the benefits exceed the costs, we will pump for recreation, if this bill is enacted. If the benefits do not exceed the costs, then we will not.

Senator ANDERSON. How do you measure the benefit?

Mr. STAMM. Roy?

Senator ANDERSON. You can tell me how to measure the costs.

Mr. BOYD. We asked the Bureau of Outdoor Recreation to determine these benefits. They make studies on the expected increase in attendance. Something, I think, that gave them a key on how to make such studies is that they went into the records which showed that the attendance at Banks Lake built up to a total visitor-day attendance in 1960 of 152,000. And then it started dropping, because that is when we started using the lake more, as more land came into irrigation development. By 1964, use had dropped about 20,000 visitor-days in total, to 131,000. They felt that if we could build that back to what it was before these fluctuations developed, we would have an increase in visitor days.

They gave values to the various types of recreation. The only one that we were able to pin down in their correspondence is \$1.50 a day for each fisherman. But hunters would have another value, and picknickers another value. We accepted their total estimate of \$60,000 average. We have to rely upon the Bureau of Outdoor Recreation for such estimates. They cooperated with the Fish and Wildlife Service in making the estimates.

Senator ANDERSON. They get the \$60,000 by saying that a man spends money for shotgun shells, food, shelter, and so forth?

Mr. BOYD. That all played a part in it.

Senator ANDERSON. That is not all profit, though, is it?

Mr. STAMM. They make these studies for us, Mr. Chairman, on all projects. And in analyzing all of the details, they come up with a formula which they round off to \$1 a day or \$1.50 a day for each visitor day. They make the estimates of the use and the value for each visitor day, and we accept their figures, not only here but in all of our other recreational analyses and benefits.

Senator ANDERSON. Do you ever go back and check what they estimated 10 years ago on a certain project and see how it worked out?

Mr. STAMM. Yes, sir. And, generally speaking, their forecasts of use, I think without exception, have been underestimated. In a few cases we have had as many visitors on the opening day of a reservoir as they estimated for the first year. They have underestimated the use in every case.

Senator ANDERSON. Are there additional questions?

Senator JORDAN. I am concerned not too much about this small project, Mr. Chairman, but I am concerned about the yielding, constant yielding, to the emphasis on recreation. I believe in recreation, too. But we have a great project here, the Grand Coulee Dam. None of us would turn the calendar back, and certainly I wouldn't. But in another time and place we will talk about a wild rivers bill. It is proposed to set aside two rivers in my State with the same potential as Grand Coulee Dam. This is just another small instance of where we are encroaching on a reservoir that was designed primarily for irrigation purposes.

At what point will the recreation interests override the purpose for which the reservoir is constructed?

Senator ANDERSON. My main difficulty is the \$21,000 figure used. They can't pick out an overall figure for the top bracket.

If you put \$50,000 in it in any one year, that would be a pretty heavy charge for recreation only.

Mr. STAMM. I think if you wanted a single figure for any one year, we would have to recommend the \$60,000 figure for a given year. I think, also, the average cost of \$21,000 would be more meaningful, however, if a limitation were put in here.

Senator ANDERSON. I know the \$21,000 figure is more meaningful. But if you had an average of \$21,000 in any one year, and no more than \$60,000, you would have it pretty well tied down.

Mr. STAMM. You certainly would. That would be within the studies we have made and the operations that we propose.

Senator ANDERSON. You had me worried with the \$5 million figure.

Mr. STAMM. The reason I mentioned that is that it got into some early correspondence and somebody wrote to the chairman, Senator Jackson; and Senator Jackson had in turn written us and asked us in particular to make reference to the \$5 million figure and mention how it was reached.

This was reached by withdrawing a block of firm power, which now carries an annual rate of about \$17.50 per kilowatt-year, and the power requirement of this pumping plant is around 290,000 kilowatts. You multiply those things together, and you come up with a little over \$5 million.

I mention that solely because we had been asked to bring it up.

Senator ANDERSON. There was before us one time a proposal to pump water back up into a reservoir and release it at certain times, and pump at certain times, peak periods, and so forth. If you cal-

culated that at the highest possible rate, it was not a very attractive project. It had to be done on the basis of very low rates.

Mr. STAMM. We are actually doing that in a couple of areas in the reclamation program. You pump up at the low rate and you drop it back down at the high rate; that is right.

Senator ANDERSON. Are there additional questions?

Thank you very much.

(Whereupon, at 12 o'clock noon, the hearing was concluded.)

