

As additional large, efficient, thermal-electric powerplants are added to the power systems of the Pacific Southwest, the need for additional efficient, quick-starting peaking power capacity to meet hourly and daily peak loads will become critical. Pumped storage plans such as the Mohave plan would provide an attractive source of peaking power. If such installations were integrated with the Lower Colorado River Basin Development Fund, the surplus revenues from power sales would improve the financial feasibility of augmentation proposals.

OPERATION OF THE RIVER UNDER SECTION 602, H.R. 3300

The Secretary of the Interior now has the authority to operate the lower Colorado River from Lake Mead downstream and deliver water from the river system to various users under contract with the United States. In the Upper Basin the Secretary is charged with operating and maintaining the Colorado River Storage Project in compliance with the Colorado River and Upper Colorado River Basin Compacts. Section 602 of H.R. 3300 and Section 11 of S. 1004 as passed by the Senate establish certain criteria for the operation of reservoirs in both the Upper and Lower Basins.

We believe the language in both instances is generally clear and specific, and we anticipate no great problems in providing criteria to supplement their provisions. In this respect, I refer you to the detailed statement by the Bureau of Reclamation on this subject beginning on page 1358 of the printed record of the hearings in May of 1966 before this subcommittee on H.R. 4671 and similar bills. The criteria which will require the most careful consideration involve the language of Section 602(a) (3) of H.R. 3300 and Section 11(a) (3) of S. 1004, which provides for the storage of water in the Upper Basin to the extent the Secretary shall find to be reasonably necessary to assure deliveries to the Lower Basin without impairment of annual consumptive uses in the Upper Basin pursuant to the Colorado River Compact. The words "reasonably necessary" imply that this is a matter of judgment to be exercised by the Secretary after consultation with the Basin States. Since the Secretary will be involved in and responsible for major developments in both basins, it is our view that the establishment of operating criteria for this purpose will involve extensive consultation and review by all the Basin States to achieve criteria which will adequately protect the interests of both basins and the United States. We believe a reasonable consensus can be achieved in this regard.

We note that both Section 602 of H.R. 3300 and Section 11 of S. 1004 leave open the question of whether the Upper Basin is obligated to meet a portion of any Mexican Treaty deficiency. If and when this becomes an issue affecting the actual operation of the river system, it will, of course, have to be resolved either by agreement or by litigation.

This concludes my prepared statement, which I hope adequately responds to the Chairman's request for information. We will be happy to answer any questions you may have.

Mr. JOHNSON. We want to thank you for being here, Mr. Secretary, and giving us the benefit of your answers to the questions that were raised in the letter of December 29 from the chairman of the full committee.

The chairman of the full committee, Mr. Aspinall, is now recognized.

Mr. ASPINALL. Mr. Chairman, the San Rafael conference report will not be on the floor this afternoon. In consultation with the gentleman from Pennsylvania, Mr. Saylor, we carried it over until next week. Accordingly, we shall try to get permission to sit during debate this afternoon.

Mr. Chairman, I wish to preface my remarks by stating that no one wishes the authorization, construction, and operation of a feasible Colorado River project, including the central Arizona project, any more than the chairman of the full committee, the gentleman from Colorado now speaking. I have lived with this legislation and problems attendant upon it ever since January of 1949. That was the first