

Mr. HOSMER. Was your estimate, then, that the surpluses of power might probably occur in the earlier years of the project than in the later years?

Secretary UDALL. It would be the other way around, we think. It would depend on water availability.

I think it is much better and involves much less controversy if we use the banking approach, rather than selling power in the low years and buying it in the high years.

Mr. HOSMER. Are you satisfied from the economic standpoint that this would be more advantageous to the Government—that is, banking—than selling and rebuying?

Secretary UDALL. I think we can say that it is our view that it very definitely would be more advantageous.

Mr. HOSMER. Thank you.

Mr. ASPINALL. The present understanding is that there would be both banking arrangements and the selling of surplus energy?

Secretary UDALL. That is correct.

Mr. ASPINALL. Mr. Secretary, before I ask this next question, please accept my own personal opinion.

At the present time, I happen to be one of those who believe that the Bureau of Reclamation should be given some general, perhaps limited, power for the operation of thermal electric plants. Now, I just ask you this question:

I preface it by saying that I have been somewhat bothered by the proposal for prepurchase of the capacity because it looks like a back-door approach to getting the Bureau into the business of constructing and operating thermal electric generating plants.

Would you say this might be the first step in that direction?

Secretary UDALL. I don't see it that way at all, Mr. Chairman. You used the word "constructing." We don't propose to construct anything. You used the word "operating." We don't propose to operate anything.

I agree there are those who hold the view the chairman expressed. However, I think our proposal to obtain central Arizona pumping power is a direct and not a back-door approach.

Mr. ASPINALL. Do you have any instances in Reclamation history which could be considered as a precedent for what you propose in this particular legislation?

Secretary UDALL. None—the commissioner says none that he knows of. The chairman may be interested in knowing where we got the idea. The chairman of the subcommittee is familiar with this. It is similar to the arrangement we worked out with the Canadian Government on the Columbia River. We borrowed the idea from there, thinking that it would be useful here.

Mr. ASPINALL. Of course, that is not Reclamation law. That is all I am trying to show at this time.

Secretary UDALL. That is correct.