

Mr. ASPINALL. You do not have a complete geological survey on the coal, as to the amount of coal that surrounds this particular plant, do you?

Secretary UDALL. Mr. Chairman, the coal for this would come from the Black Mesa from the Navaho-Hopi Indian Reservation.

Mr. ASPINALL. Mr. Secretary, in your statement you mentioned potential pumped storage hydroelectric plants.

Did you consider this as a possible alternative to your prepurchase proposal?

Secretary UDALL. Mr. Chairman, I think I can say very flatly we do not consider them as an alternative. I think the whole region, with the WEST approach used, is going to need the type of good peaking facilities that nature apparently has provided for us there. This is not a viable alternative for pumping power because we need baseload energy for pumping, not peaking capacity.

Mr. ASPINALL. Then you suggest that it is in addition to the pre-purchase plan, is that correct?

Providing it is going to be peaking?

Secretary UDALL. I think when one looks down the road beyond this project to development funds, to augmentation plans, that pump storage facilities might very well enter into the overall plan.

Mr. ASPINALL. Mr. Secretary, assuming that a large thermal power plant is built at Page, Ariz., in the vicinity thereof, in which the Federal Government shares the capacity, is it the Department's understanding that the water for this plant would come from Arizona's 50,000 acre-feet of the upper basin water?

Secretary UDALL. This is what we contemplate.

Mr. ASPINALL. If so, would you expect that such an estimate would result in any controversy or conflict with Indian water rights in Arizona?

Secretary UDALL. I know of none, Mr. Chairman. We went into this rather thoroughly with everyone involved.

Mr. ASPINALL. You do know the provisions of the decree?

Secretary UDALL. Yes.

Mr. ASPINALL. Mr. Secretary, I am interested in your statement that the Department continues to take the position that payout assistance for the central Arizona project from a development fund would not be necessary. This is correct?

Secretary UDALL. This is our firm position.

Mr. ASPINALL. As I remember, in your proposal, this assistance would be given by either increasing the municipal water rate from \$50 to \$56 an acre-foot or an ad valorem tax?

Secretary UDALL. This is correct.

Mr. ASPINALL. In view of the fact that this was rejected by the other body, I assume it was not well received in Arizona.