

Mr. HOSMER. Except for the provision of law they would go into the Federal Treasury?

Mr. WEINBERG. Yes.

Mr. DOMINY. It would also be true that there could be reduced rates for the central Arizona project after project payout. If you had no provision in law for a basin account for revenue purposes for additional projects, then there would be no justification for continuing the municipal-industrial rate at \$56 after payout. The users certainly would want to reduce it down to their operation and maintenance requirements.

Mr. ASPINALL. Will the gentleman yield?

Mr. HOSMER. Yes.

Mr. ASPINALL. As I understand it, this figure of \$500 million came from the annual Hoover-Parker-Davis report which is based upon an increase in the cost of power from the present rate of 2.46 to approximately 4. Is that not correct?

Mr. DOMINY. This is based on raising Hoover production to a 4 mill rate and continuing Parker-Davis at the present level of about 4.7 mills.

Mr. HOSMER. Now, the pumped storage projects and the other science fiction features of your testimony, were they dangled before us as just possible things that we might look at, kind of a shopping list of cash registers for river augmentation?

Secretary UDALL. Well, I would put them in two categories, Congressman. I personally am willing to be a little bit of a prophet and predict that we might very well find that the Mexican treaty obligation ultimately will be fulfilled by a combination of weather modification and desalting. I do not think that is too much in the fictional category.

As far as pumped storage projects of the kind I am talking about, these are very vital and necessary features of highly integrated modern electric power systems. I would think they would serve two purposes: one, they would be peaking facilities for the entire electric power grid, and number two, they might very well be an attractive source of funds for an augmentation project.

Mr. HOSMER. But they are not a part of the legislation before us?

Secretary UDALL. No, sir. We simply discussed them in our testimony because the chairman in his letter, very wisely I think, asked us to. I think that the pumped storage technology is not something that engineers are dreaming about. It is in existence. It is proven.

Mr. HOSMER. But insofar as augmentation is concerned, they would be a cash register feature rather than a—

Secretary UDALL. That could be considered, yes, sir.

Mr. SAYLOR. Will the gentleman yield?

Mr. HOSMER. Yes.

Mr. SAYLOR. It seems to me when you refer to some of his science fiction features, it comes with rather poor grace from the ranking Republican member of the Joint Committee on Atomic Energy, which has developed more science fiction than any other Government agency in all history.

Mr. HOSMER. And also more science fact.

Mr. SAYLOR. That is a matter of opinion, only of the Joint Committee on Atomic Energy.

Mr. HOSMER. Let's develop this theme.