

Mr. HOLUM. I don't know if we are in a position to speculate about that or not, Senator Jordan. This project, and it has obviously given Senator Mundt and Senator McGovern concern, has been stripped down to the capacity needed to serve 190,000 acres. But we do not have the detailed studies on possible future development that would permit me to give you a definitive answer.

Senator JORDAN. In the Missouri Basin, you have a basin account for applying power revenues to the assistance of the irrigation price.

Mr. HOLUM. Yes, we do.

Senator JORDAN. You calculate that \$172,350,000 of the amount allocable to irrigation will be paid out of this fund for this project?

Mr. HOLUM. Yes, we do. We did a very careful review of the financial position of the Missouri Basin account before we brought the Garrison diversion unit before the Congress. At that time, as part of the Garrison diversion unit, the Congress authorized us to make some changes in the Missouri Basin account to bring it into conformity with other basin accounts across the country.

We found that it was necessary to increase power rates in order to have the type of financial security under the project that we and the Congress demanded. We had to raise the rates a quarter of a mill per kilowatt-hour on firm power.

We can come to you today and say that the basin account will provide the dollars that are needed when they are needed to repay Oahe unit costs.

Senator JORDAN. That is what I was leading up to. I remember the talks we had several years ago as to the solvency of the fund. It seemed to me that the power rates were too low to look to it with any assurance that revenues would be available for the assistance to irrigation at that time. But you moved to correct that.

Mr. HOLUM. I spent 2½ years with a very impatient Senator Burdick and colleagues from North Dakota, and very impatient Senators from South Dakota, addressing myself to the financial payout of the Missouri Basin project. We did find the answer.

The Congress approved it and I think we are now in a position to move ahead on Oahe as we did on Garrison.

Senator JORDAN. With the water supplies as you anticipate them to be, and with the present power rates, you do believe that this is a solvent basin account and we can look to it for this amount of assistance for this project?

Mr. HOLUM. Yes, I do, Senator.

Senator JORDAN. Thank you.

Senator BURDICK. Senator Mundt?

Senator MUNDT. I have no questions. Senator Jordan anticipated a lot of questions that I had in mind.

I want to join my colleagues in congratulating Secretary Holum in presenting a complete and comprehensive analysis of this project. I think it is an excellent prospectus to demonstrate that we have here a project which is not only needed but which is solvent. Thank you for your fine statement.

Mr. HOLUM. If I may go back to Senator Jordan for a minute, it would be useful for the Senator and this committee, I believe, if we were to supply the specific financial forecasts that we made.