

Senator MOSS. We have been talking, of course, in this committee about the central Arizona project where the water will have to be taken a long distance across a very arid State.

The CHAIRMAN. Are you confining your tunnels to Arizona?

Senator MOSS. Just Arizona only. Is the state of the art far enough advanced now to be considered putting a tunnel underground?

Dr. HIBBARD. This type equipment has been used for underground tunnels by the Bureau of Reclamation, I think, in New Mexico. One of their tunnels in New Mexico was bored.

Senator MOSS. As the chairman suggests, I have other ideas for it, too.

Senator ANDERSON. Who pays for this work? From where is the appropriation?

Dr. HIBBARD. I believe that the research and development to stimulate this type program is properly the responsibility of the Government.

Senator ANDERSON. I want it broken down a little bit. What is this function?

The CHAIRMAN. Who is participating in Project Badger?

Dr. HIBBARD. At the moment there are nine Federal agencies. At the moment Project Badger consists of a study which is being carried out in the National Academy of Science National Research Council to outline for us the most effective, the most needed kinds of research and development which will bring this program forward. They are to report back from study within the next year.

Senator ANDERSON. I was trying to find out how this project is being financed. It is my understanding the Interior Committee knocked it out and you are making quite a play for it.

Dr. HIBBARD. There are funds proposed for appropriations in our 1968 budget. And in the House markup, these funds were largely allowed. In the Senate markup these funds were not allowed. I hesitate to answer your question because I am not sure what our funds will be. But I certainly hope that we can get these funds.

The CHAIRMAN. What amount have you requested in the budget for fiscal 1968?

Dr. HIBBARD. \$2.7 million.

The CHAIRMAN. Is that the total amount the Federal Government would be spending in connection with this program?

Dr. HIBBARD. This is the specific amount for this development. There are other Federal expenditures specifically concerned with the particular projects, but this would be the total amount for this development; yes, sir.

Senator ANDERSON. I think one of the things that concerns me is the fact that industry would be primarily the beneficiary in the sense industry would be engaged in the manufacture of this equipment. What sort of contribution does industry make? Obviously, we all will benefit by reduced costs and improved technology, but how is this handled from that standpoint?

Dr. HIBBARD. Industry contributed to the budget about \$500,000 a year, which is largely associated with construction contracts. This is not a research-oriented industry. They are responsive only to competition and need.

Senator ANDERSON. You mean bidding on equipment?