where there is no industry, no community, no pollution at all. They came to me and said, "Well, what does this policy mean? That we can't have cities? We can't locate industry?" We do have an exception clause that we have written into the antidegradation provision that opens the door to exceptional circumstances, with the burden, of course, on the State or on the industry to show that such circumstances do exist.

Mr. Cramer. Well, I do not want to belabor it interminably, but if, in fact, the hearing record establishes that the maximum value and use of the stream can be achieved by water quality standards somewhat below existing levels, then do you think that you, under the present law, have authority to arbitrarily, despite that hearing record, refuse

to give effect to such standards?

Secretary Udall. In effectuating the "no degradation" policy, we had to attempt to interpret the meaning of the 1965 act. I know there are those who disagree with us, and I saw a letter from the U.S. Chamber of Commerce yesterday on this, the legal opinion that they have gotten that disagrees with us, but it is our view that the "no degradation" policy effectively asserts the policy that Congress itself wrote into the 1965 act. This was contemplated as a water enhancement law. The whole tenor of the 1965 act, if you look at it, was one of water improvement, water enhancement, raising the quality rather than lowering it.

I think we can do that. I do not think this is going to inhibit new industry. It is going to mean that new industry is going to have to put in very good pollution control equipment. It is going to mean that we are going to have to get the cleanup program going. I think, if we do that, that in these industrialized areas, and along the sections of streams and tributaries where there will always be some effluents and some pollution, we can still have no degradation in effect, and

have increased uses of these waters.

Mr. Cramer. Well, maybe the choice of terminology is not too good, when you say "nondegradation," and in the next breath you say "We

are going to make some exceptions like Alaska."

Similarly, confusion is created in the case of the suggestion I had relating to new streams that have not been developed industrially, or agriculturally, where you are going to have surface drainage in agriculture. You are going to have some pollution in industry no matter how much they are going to try to clean it up. I do not think you will ever find a pulpmill that is not going to have a little bit of pollution.

Secretary Udall. That is true, there is going to be some effluent. Mr. Cramer. Does that mean by these standards these new areas are not going to be opened and developed, because the result would be

some degradation of that stream?

Secretary UDALL. No. We don't interpret it that way at all. And I believe that this policy can be effectuated and that we can achieve what I think Congress wanted without seriously inhibiting the industrial growth of the country. I just do not think that this is going to be the effect.

Mr. Cramer. And the standards that have been set are that you as Secretary could make exceptions?