

requirement for a proposal for a large-scale prototype, something of the nature we have been talking about, would you be able to present the Congress with such a proposal within that time frame?

Mr. SMITH. Based upon the technical advice of the director and his highly proficient technical and scientific staff, my answer to that would be "Yes."

Senator JORDAN. Thank you. I will yield.

Senator FANNIN. Mr. Secretary, it is certainly a pleasure for me to have a chance to visit with you about the potentialities of this very important program, because I feel we have slighted it tremendously. I wholeheartedly support these appropriations and certainly agree with what Senator Jordan said that unless we have a test for building a large plant, I doubt if we will ever achieve our goals. I do not know if we will achieve our goals, but I can recall back in, I believe it was 1965, when we had a worldwide symposium on water. At that time, the Secretary, then Secretary Udall, announced that they had had this tremendous breakthrough where they could produce water at 22 cents a thousand and with a projection that it would go down to 15 or 10 cents a thousand. At that time, we had the different companies here—I can remember Westinghouse and Flour Corp. that had plants here that would certainly do a commendable service in desalinization. But the officials who were here with the display, both Westinghouse and the Flour, almost countermanded the statements made by the Secretary when they said that we did not have a breakthrough of that magnitude; in fact, we could not produce water at twice that cost. Are you familiar with what happened at that time?

Mr. SMITH. Senator Fannin, to be honest, I am not familiar with that. Mr. O'Meara was with the Department at that time, with the Office of Saline Water.

Do you care to comment?

Mr. O'MEARA. I will comment briefly that the original study conducted by an architect engineering firm that—

Senator FANNIN. Would you identify yourself for the record, please?

Mr. O'MEARA. I am J. W. O'Meara. The study for this plant, which envisioned a plant built on a manmade island to use two nuclear reactors to produce 1,800 megawatts of power and 150 million gallons per day of fresh water, did not include in that study an escalation factor. Based on 1964 dollars, when the plant was studied, it appeared feasible to achieve that goal. But the economy and the rising cost of doing business, in which the Office of Saline Water and the desalting business is sensitive, forced that price up to the point where the power companies decided it would not be feasible for them to proceed with the project.

Senator FANNIN. I followed it very closely and even had meetings with the power companies involved, so I recall certainly your statement is correct.

But I still feel there was a miscalculation at that time, evidently, because we had not had a breakthrough discussed at that time. I know I talked to Mr. Flour himself and he stated that he did not know of any type of equipment that would bring desalination of water down to that cost. Was not that project, was it not 50-million-gallon-per-day units that were involved?

Mr. O'MEARA. Yes, sir.