The AEC did not request specific funding or authorization for its desalting activities in fiscal year 1972, but intends to continue its priority desalting activities at ORNL as part of its general research and development effort. The AEC's desalting program will probably be at a lower funding level than in prior years as a result of other competing programs of a priority nature. As several members of this committee who are also members of the Joint Committee on Atomic Energy may recall, this matter was discussed at some length during the Joint Committee hearings of March 4, 1971, when the fiscal year 1972 authorization request for reactor development for AEC was considered. Even at a reduced level, we believe the AEC will continue to provide a meaningful contribution to the Federal nuclear desalting program and effectively cooperate with the Office of Saline Water.

It is quite likely, however, that under the pending budgetary restraints we would be hard pressed to support any new cooperative desalting study efforts, either domestic or foreign, without major reprograming and adverse impact on other priority efforts in our environmental and reactor development fields. If a demonstration project for nuclear desalting under cooperative terms should develop, we would, of course, need to request specific authorization and funding

for any AEC participation.

Turning now to S. 991, I would like to comment on several general areas. First, we support a strong and dynamic Federal program in the desalting field. With the increase in our population and the associated demands for water and energy, there can be little doubt that we will not only have to tap our available resources with increasing severity, but also develop new resources where natural supplies are limited. Already the energy crisis has highlighted the urgent need for increased sources of energy. And, I am sure that this committee does not need me to remind it of the increasing demands that are being

placed on our naturally available fresh water supplies.

The AEC has long been convinced of the necessity for prototype or demonstration projects and the role that they play in introducing a new technology to the potential users. We not with accord that S. 991 recognizes this need and that the demonstration should be made on a practical scale. While a diversity of desalting technology has been developed, and numerous small plants have been operated, there is not yet a prototype or demonstration project of a size that could be extrapolated with confidence to meet the large metropolitan or regional-type application. It is indeed unfortunate that the Bolsa Island project did not go forward because it would have served a vital demonstration function, not only to the Federal program, but also to the water and power planners here and abroad. The provision of S. 991 which call for recommendations regarding the best opportunity for the early construction of a large-scale prototype are believed to be timely indeed.

The importance of the role of demonstration projects has not always been appreciated. In the past there has been a tendency to hold back a development project until a specific requirement or mission has been formally established by a user. Yet, the user very often is not in a position to establish such requirements until a project or development can demonstrate its value. I have referred to this dilemma in the past