

per kilowatt, and they cannot generate power unless there is water in the upper basin. The Government proposes to buy power and pump water into the upper basin which holds a small volume of water. The process is inefficient and the energy will cost about $1\frac{1}{2}$ times as much as the energy produced in the company-owned plants. It is estimated the cost of power from the proposed pumped storage projects would be about $1\frac{3}{4}$ times as much per kilowatt of capacity and $1\frac{1}{2}$ times as much per kilowatt-hour of energy, when compared with power and energy produced at the company-owned plants.

"It is equally clear that all segments of the industry—the investor-owned utility companies, the municipal systems, the rural electric cooperatives, and the Federal and state power agencies—must join together in forward-looking cooperation to plan and build safe and reliable systems. Each system must consider as part of its public service responsibility the needs and desires, the strengths and weaknesses, of its neighbors throughout a broad region." This is quoted from a statement of Honorable Lee C. White, Chairman of the Federal Power Commission. The companies strongly state that we do join in forward-looking cooperation to plan and build safe and reliable systems—and economical systems. We respectfully request the Congress to join in these cooperative efforts, and not authorize the construction of the proposed unreliable and costly pumped storage projects at Petit Jean and White Oak on the Arkansas River in Arkansas.

MISSOURI RIVER BANK STABILIZATION (H.R. 3402)

Mr. JONES. Next we will hear from Col. Shaffer.

STATEMENT OF COL. GEORGE B. SHAFFER, ASSISTANT DIRECTOR OF CIVIL WORKS FOR PLAINS DIVISION

Colonel SHAFFER. Mr. Chairman and members of the committee, this report is in response to the request for comments of the Department of the Army on the bill H.R. 3402, 90th Congress, a bill to modify the comprehensive plan for the Missouri River Basin with respect to certain bank protection and rectification works.

This bill would raise the \$3 million appropriation authorized for bank stabilization work or rectification works at or below Garrison, which are part of the Missouri River Basin comprehensive plan authorized by the Flood Control Act of June 28, 1938 and subsequent modifications, in the act of December 30, 1963 (77 Stat. 840), to an authorization of \$10 million.

The bill would also have the effect of modifying the Missouri River Basin comprehensive plan to require operation and maintenance of the above works by the Federal Government.

The Department of the Army is in accord with the view that the appropriation authorized in the act of December 30, 1963 will not be sufficient to complete the work contemplated at and below Garrison Reservoir. Of the five area sites presently planned for construction, three are complete or substantially complete. Completion of the planned works at the remaining two sites will require an increase of \$2 million over the existing authorization, and the Department of the Army would favor an increase to \$5 million to complete the works planned pursuant to the existing authorization.

It is the view of this Department, however, that any increase beyond that recommended above should be authorized only after the difficult and complex problems of the affected reach of the Missouri River have been further studied and a report discussing these problems and alternative solutions can be carefully considered by the Congress.

As to the proposal for Federal operation and maintenance of the installed works, it has been the general practice of the Department