to the waterfront at Tiverton, R.I. The tributary area includes portions of Massachusetts, Rhode Island, Vermont, and New Hampshire, and supports a population of about 1 million. Deep draft commerce is composed chiefly of inbound petroleum and coal destined for several shoreline oil companies and two major power companies. Tonnage increased about 50 percent between 1955 and 1964, from 2 million to 3 million tons.

The plan of improvement calls for deepening the channels to 40 feet and altering a presently restrictive bridge across the upper channel to provide a wider navigation opening. The improvements will permit use of larger, more efficient vessels which will reduce transportation costs for shippers. Total cost is estimated at $10,109,000 of which $8,762,000 would be Federal and $1,347,000 would be local. The benefit-cost ratio is 3.5. In addition to the usual items of local cooperation, local interests are required to remove one restrictive bridge and share in the costs of modifying another. Willingness and ability to meet these requirements has been indicated. All interested Federal and State agencies favor the project. The Bureau of the Budget has no objection to the submission of the report to Congress. However, it notes that vessels using the northern arm of the Tiverton Channel, about one and a quarter miles along, serve only the Gulf Oil Corp. It believes that a question exists as to whether this segment of the project benefits more than a single user. The Bureau states that if the project is authorized, it expects further consideration be given this matter prior to any request for funds to initiate construction. If this segment is authorized for construction, the Bureau recommends that prior to expenditure of Federal construction funds, local interests agree to pay 50 percent of construction costs of the northern arm of the Tiverton Channel and that if cost sharing is not provided, construction of that segment of the Tiverton Channel shall not commence until such time as there are additional users or the Secretary of the Army determines that there will be additional users within a reasonable period of time.

Since the Federal cost for this project is less than $10 million, the views set forth by the Secretary of the Army in his letter of January 6, 1967, submitting a draft bill to amend section 201 of the Flood Control Act of 1965, would apply.

This completes my statement, Mr. Chairman.

Mr. BLATNIK. Just one quick question or two questions. First, you are going to have modification of one restrictive bridge. Which bridge is that and what is the nature of the modification and approximate cost?

Colonel SEIDEL. Sir, this is the bascule bridge. At the present time the horizontal clearance is 98 feet, and this would be increased to 300 feet.

The cost of the bridge alteration is divided between the Federal and non-Federal interests on the basis of $3,178,000 Federal and $497,000 non-Federal.

Mr. BLATNIK. About a third of the total project cost for this channel improvement will be on this bridge modification; will it not?

Colonel SEIDEL. Yes, sir.

Mr. BLATNIK. Then the major aspect of the modification will be the horizontal clearance from approximately 98 to 300 feet.

Colonel SEIDEL. Yes, sir.