

manager, South Carolina Public Service Authority, Moncks Corner, S.C. I would like to put his statement into the record following mine.

(The full, prepared statement of Mr. Rivers, together with that of Mr. Thomason follows:)

STATEMENT OF REPRESENTATIVE L. MENDEL RIVERS

Mr. Chairman and members of the committee, I am extremely grateful for this opportunity to appear before this Committee to present my views on the St. Stephen Project which the Corps of Engineers proposes to build near St. Stephen, about 40 miles from Charleston. I am not going to try to describe this project to you or to get into any technical details because Col. Seidel can cover these matters much better than I. My purpose is to express my support of the St. Stephen Project as recommended by the Corps of Engineers and to explain its importance, both to the District I represent and to the nation.

The St. Stephen Project is a unique project in one respect, that is, the clear measure of benefits. All the projects considered by this Committee have a favorable cost benefit ratio, but for the most part, the benefits are measured by estimates of the good that they will do, and these estimates are subject to a wide margin of uncertainty. In the case of St. Stephen, the project will eliminate a major part of the very large dredging expense which the Corps of Engineers is now saddled with. The dredging expense mounts year after year in order to prevent the siltation of Charleston Harbor to the point where it would be unusable, either for commercial or national defense purposes. That expense is now estimated to be in the order of \$2½ million a year, on the average. There is some fluctuation from year to year, but over a period the increase has been very rapid. For illustration, the average cost of maintenance of Charleston Harbor in the five years from '51 to '55, inclusive, was about \$550,000. In the next five years the cost averaged almost a million dollars and in the years '61 to '65, inclusive, the average was almost \$1.6 million. In the last year of that period the cost was \$2,237,949. These figures are from the Corps of Engineers Report, page 9. No prudent business man would accept these mounting costs for dredging when there is a practical way to meet the problem at the source by reducing siltation, at a great savings. These savings will increase from year to year because inflation will drive up the maintenance expense every year, whereas once the St. Stephen Project is built the annual charges will be fixed permanently.

There is another important aspect of the comparison. The maintenance costs consist of the removal of thousands of cubic yards of silt every year. The Corps of Engineers is running out of spoil areas to deposit the silt. This is a vexing problem which will grow with time. The Corps of Engineers says that the solution of the siltation problem is to end the condition which is leading to the deposit of silt in Charleston Harbor. This is what the St. Stephen Project would accomplish.

The St. Stephen Project would not interfere with the Congressional program to hold federal expenditures down in the next fiscal year. All that will be required in 1969 is a modest amount of planning money, perhaps \$100,000. Major expenditures are at least two years distant, and, of course, the Appropriations Committee will determine expenditure priorities in the light of circumstances as they may exist from year to year.

Now I should like to talk for a minute about the effect of this project on the South Carolina Public Service Authority. It is also known as the Santee-Cooper Authority. This is a public agency of the State of South Carolina, created by direct Act of the State Legislature. It is South Carolina's public power yardstick and it has done a wonderful job. Some of its power output is sold at wholesale to small municipalities and rural cooperatives. Some is sold at retail in small towns and rural communities. Three military bases buy their power from Santee-Cooper, and several new industries, vital to the South Carolina economy, draw their power supply from this source. It is performing a vital service for the people of South Carolina and I know that the Congress would not want to make it impossible for this great work to continue.

Santee-Cooper draws a large part of its power supply from a hydroelectric project on the Cooper River which is called the Pinopolis Project. This project was built in the thirties as a great public works project. The Santee-Cooper authority applied for a license from the Federal Power Commission and the license was granted. Santee-Cooper has lived up to all of the provisions of the