

Under the Federal Power Act this project is not subject to recapture. It is owned by a public agency. The effect of the St. Stephens project, that is the one before you, would be to divert most of the water from the Cooper River, that is the one that runs by Charleston by the naval shipyard and into the harbor and run it back into the Santee River whence it came.

The Santee River comes and runs into this big lake, lets the water run down to Charleston. They want to run it into the lakes and all the spilling back into the Santee River instead of Charleston where the harbor is being ruined as a result of the silt coming as a result of the Pinopolis project. It would leave the Pinopolis plant almost high and dry, out of business.

The average flow at the Pinopolis plant is something like 15,600 cubic feet per second. When the St. Stephens project is completed, this flow will be reduced to 3,000 cubic feet per second, less than 20 percent of the present flow.

Now, the license to do this does not expire until April 1, 1976. The St. Stephens project was recommended by the corps including the provision for keeping the Santee-Cooper whole, the whole business whole, and had been approved by the Governor of the State of South Carolina in accordance with the law and by every State and Federal agency to which it had been presented except the Bureau of the Budget which released its adverse report only yesterday. All they did was close up the power.

This report comes as a complete surprise in view of the unanimous endorsement this thing has received up to this point by all parties whomsoever, even the Public Health commented on it.

This is a very negative and damaging report and I hope and I am sure the members of the committee that you will forthwith reject it and this is what I most respectfully urge you to do, gentlemen.

Now, of course, it would be the height of unfairness and confiscation if the Federal Government were to take away the water required to run the Pinopolis plant and the one they are now running without making compensation. This would be ridiculous. I am not talking about legal questions now, but just ordinary curbstone common fairness.

The Corps of Engineers has heretofore negotiated an arrangement to keep the Santee-Cooper whole, powerplant, spillways, and everything. This arrangement is part and parcel of the recommendation of the Corps of Engineers. It was negotiated at arms length and after a lot of hard bargaining which took many, many months to firm up this whole business and now it is before you.

Of course, the agreement is tentative and is subject to congressional authorization we understand, to negotiate the final terms. This is understood.

I strongly urge the Corps of Engineers, gentlemen, to give this authority. The corps has composed also what they call an area implementation feature which means the corps would have authority to divert the water before the completion of the plant so that it would not silt up Charleston Harbor upon reimbursing the Santee-Cooper for the additional cost of replacing its lost capacity to generate power. That is to say that during the time building this new generating plant, they would implement what they lost in power to fulfill the power to