

General NOBLE. I do not think it would so change. That is 1.6 B-C ratio, that would still be favorable.

A small change in interest would not affect this project. The 1.6 B-C ratio is out of trouble with the kind of change of interest rate that they had in mind.

Mr. HARSHA. I noticed they pointed out that estimating the traffic and transportation savings that you use considerable figures—you use figures that vary considerably from what they claim was the actual amount of commodities transported over this system.

General NOBLE. I think that would be the railroad's claim on all projects, sir.

Mr. HARSHA. Who is right?

General NOBLE. After reviewing the railroad association's comments, we feel we are right—that the project is a good one.

Mr. HARSHA. Where did you get your figures?

Mr. FEIL. We go through a traffic survey of traffic that actually moved or was available for moving in a specific calendar year, which we call a base year. Then considering the economic projections for growth of the country, growth of the local State, and growth of the area that is influenced by the project, we apply growth factors to this traffic and then, having arrived at the total amount of traffic that is available for movement, we put another check on it as to the amount of saving that might be attributed to a specific commodity in a specific movement. It varies with different commodities. We consider that as the saving that is necessary to attract movement to the waterway and traffic that does not produce that minimal saving is discarded as a potential traffic to the waterway in the base year and in our projections.

Mr. HARSHA. But they said, you included in your estimate 85,000 tons of soybeans, which moved from the Vicksburg district by rail to gulf ports for export in 1966, and then the staff of the Office of Chief of Engineers found, upon further analysis, that only 32,000 tons of soybeans actually moved by rail to gulf ports in 1966, rather than the 85,000.

Mr. FEIL. Sir, I do not have the record here to give you correct information on that. But in our checks of the work that the district did, we must have found some inaccuracies that we took out of it.

Mr. HARSHA. Did you base it upon a 32,000 or 85,000 tons?

Mr. FEIL. We feel it was reported through by the Chief of Engineers report—would be based on corrected figures.

Mr. HARSHA. Would that reflect this B-C ratio, then, the same one?

Mr. FEIL. Yes, sir.

Colonel HALL. If I may comment on the AAR, American Association of Railroads' report, they raise several questions with respect to the report. Each of these points were addressed in detail by the Chief of Engineers' staff. There were some pluses, maybe, and some minuses, but after addressing all the points, taking into consideration some of these inaccuracies that Mr. Feil alluded to, it has still a very favorable B-C ratio, and it did not affect the B-C ratio to any appreciable degree.

Mr. HARSHA. How much did it affect it?

Colonel HALL. Our addressing of their comments had to do with the validity of total economic analysis of the project, the staff of the Office of Chief of Engineers found, upon further analysis, that only