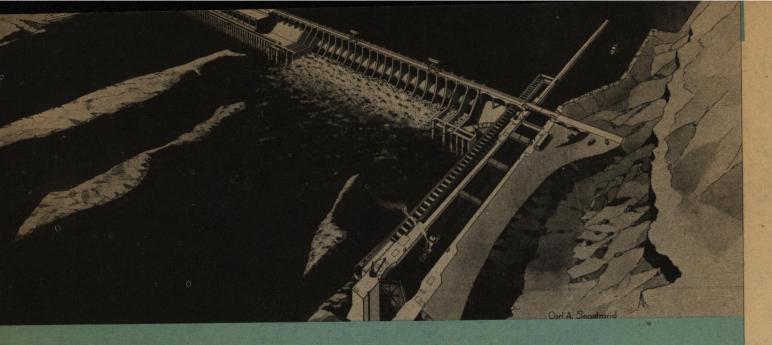


THE JOHN DAY PROPOSAL

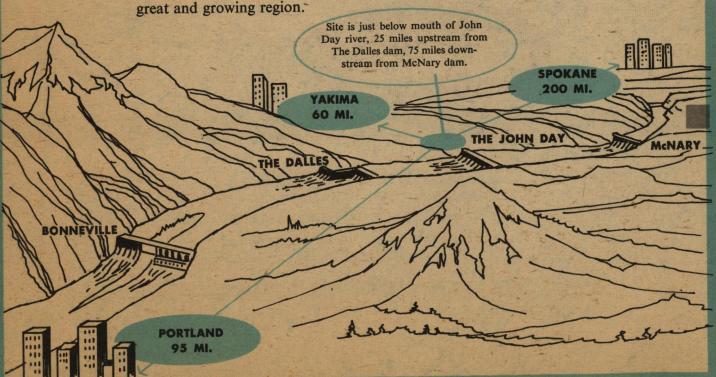
The Pacific Northwest region needs more electric power. Here is a way to get a big block of it NOW. Here is a proposal that fits into the comprehensive plan for regional development. Here is a way to make TEAMWORK get a big job done.



THE JOHN DAY DAM

In April, 1955, Rep. Sam Coon (R., Ore.) presented to Congress the John Day Bill, H. R. 5789, which provides for local financing to develop a 1,105,000-kilowatt *Federal* project at the John Day site on the main stem of the Columbia River.

Here is the story of what the John Day proposal means to the people of Oregon and the Pacific Northwest; to the economy of a great and growing region.



John Day will be an integral part of the comprehensive basin development plan

John Day dam was authorized for Federal construction in 1950. Under HR 5789 its construction will be in accordance with the comprehensive plan of basin development as outlined in the Army Engineers' Review Report on the Columbia River and its Tributaries. The dam will be a multi-purpose project with important navigation, flood control, irrigation and power benefits.

John Day will be built, owned and operated by the Federal Government

The project will be built by the Chief of Engineers under the direction of the Secretary of the Army. At all times it will be *owned* and *operated* by the United States government.

The Federal government will have full control over the design and construction of the project, and will have sole authority for the integration of its operation with other hydroelectric, navigation, irrigation and flood control projects on the Columbia River and its tributaries.

John Day will provide slack water navigation from the Columbia's mouth to Pasco, Washington

John Day will be the last link in the series of dams and channel improvements providing 328 miles of slack water navigation all the way from the mouth of the Columbia River to Pasco, Washington, in the heart of the Inland Empire. The dam, plus navigation locks, will enable barges to pass the rapids at this point and continue on up the river under slack water conditions. Further, the benefits of navigation can be secured for only a small outlay of Federal fundsabout 12 per cent of the dam's total estimated cost, for non-reimbursable features.

John Day will be a major, integrated, multi-purpose project ... and local interests will pay 88% of the costs, thus minimizing Federal appropriations!

total cost of John Day Dam: \$310,000,000

local interests will advance \$273,000,000

\$37,000,000 to come from U.S. treasury

Local interests will advance cash for construction

Total cost of the project is estimated at \$310,000,000. Of this amount about \$273,000,000 will be for power facilities. All of the power costs—88 per cent of the total cost of construction—will be advanced by the local interests contracting to market the power output.

In effect, the John Day proposal simply provides for an advance sale of power. In the case of other federal projects the government has appropriated taxpayers' money, built a dam, and then has sold the power for money enough to get back over a long period of years—usually 50—the amount invested in power facilities.

In the case of the John Day project the government would do its selling of the power output first, collecting sufficient payments in advance to meet all cost of the dam's power facilities, and then proceeding to build the project.

The Bill defines "local interests" as: "States or agencies thereof; people's utility districts, public utility districts, and municipalities operating electric distribution systems; rural electric cooperatives; and private electric utility companies."

The Bill further provides: "Any local interest . . . may within six months from the date of enactment of this Act, make application in writing to the Federal Power Commission . . . for participation in the project."

Plan will speed construction

Federally-financed projects are dependent upon annual appropriations for continuity of construction, and as a consequence are subject to delays. Under the John Day proposal the money will be available when it is needed, with a resulting economy of time and cost.

Area needs will be considered in allocating John Day power

The John Day Bill provides that if the applications for power exceed the total estimated power to be generated by the project, the Federal Power Commission will determine the allocation of power contracts, taking into consideration:

- "(1) the present and future availability to the applicant of power and energy from other comparable sources;
- (2) the intent of Congress that the power and energy from the project shall have the widest distribution to domestic and rural customers, with proper regard for the needs and requirements of the applicants in the area to accomplish such purpose;
- (3) that the allocation of power and energy shall be proportionate to the financial participation in the cost of the project by the respective applicants; and
- (4) that there be an equitable division of the power and energy from the project, giving consideration to existing resources and the use thereof by each applicant."

Only 12% of project cost will be paid for out of federal funds

The Federal government's share in financing the John Day project will be limited to the cost of navigation and other non-reimbursable facilities. This cost is estimated at \$37,000,000—about 12 per cent of the total.

Although important flood control and irrigation values will be realized from the project, navigation was officially recognized as of primary importance in this stretch of the river in the Army 308 report as long ago as 1926. The John Day project will be the final link in a chain of dams which, together with channel improvements in the lower river, will bring to realization a long-sought goal of slack water navigation all the way from the Columbia's mouth to Pasco-Kennewick in eastern Washington—a distance of 328 miles.

With local interests paying for power facilities, which account for 88 per cent of the total cost of the John Day project, this final navigation link can be completed and a long-standing aim achieved with a minimum outlay of federal funds.



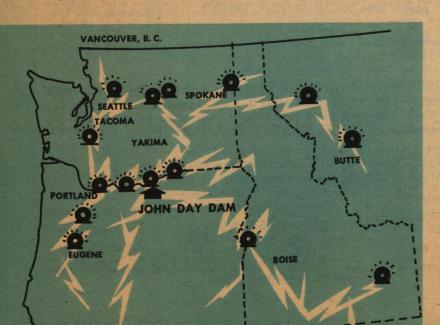
Because of the requirements for national defense, the national debt, and in view of the needs of other parts of the country, particularly the critical need for flood control projects in New England and the Far West, it is not realistic to expect any agency—not even the U. S. government itself—to provide all the dollars for all the power projects which our region needs NOW.

Local agencies, public and private, must join in partnership with the Federal government in comprehensively developing our water resources.

The John Day Bill proposes a way to get a Federal project speedily built, but with local participants supplying most of the capital requirements.

has proved itself in the Pacific Northwest

The "partnership" principle, as spelled out by the National Administration, is not new to the Pacific Northwest. As early as 1917, the utilities of the region began establishing interconnections between their systems for the exchange of power. These interconnections were developed as needed, and by 1942 a comprehensive system had been established which provides complete interconnection of all transmission systems—Federal, municipal, and investor-owned—and the integrated operation of all generation facilities. The resulting Northwest Power Pool is an outstanding example of efficient operation on a voluntary basis by diverse interests, an outstanding example of partnership. It is time now to put these principles of cooperation into motion for the development of new generation in the vast quantities needed in the years ahead.



John Day dam will, like all other power dams in the Pacific Northwest, be integrated into the vast Northwest Power Pool which interconnects generating plants in five states and British Columbia.

President Recommends John Day Partnership Bill

By A. ROBERT SMITH
Washington Correspondent, The Oregonian

Washington (Special)—President Eisenhower told congress Thursday that "I strongly recommend" favorable action on the John Day project "partnership" bill.

In his state-of-the-union address, Eisenhower specifically indorsed the bill sponsored by Representative Sam Coon, Republican, Oregon, and indirectly called for enactment of other "partnership" legislation, such as the Cougar-Green Peter bill of Representative Harris Ellsworth, Republican, Oregon.

"... The Washington State Power Commission stands ready to assist"

Appeared in Seattle Daily Journal of Commerce

"The Washington State Power Commission stands ready to assist any utility in its efforts to add to the power supply for the Northwest region," Bob Jones, Seattle member of the Commission, said today.

He reminded the Commission of the stand taken before the Senate appropriations committee last year when he was asked if the Commission would be interested in having a part of the John Day Project if the Federal government should make such a thing possible. "The Commission would certainly be interested," he said.

"... Should be given a helping hand by both political parties"

Walla Walla Union-Bulletin

The bill introduced Thursday by Rep. Sam Coon of Oregon, for construction of John Day dam, represents a challenging attack on the problem of multi-purpose dam construction in the Pacific Northwest.

Because it is one of the first proposals which would utilize to the fullest the "partnership" concept of development which has been stressed by President Eisenhower, the project should receive the full support of the administration. And because it does not appear to violate the comprehensive approach to the region's water resource program or open up a dispute between public and private power interests, we can see no reason why it should not be given a helping hand by both political parties.

"... Advantages to Coon's proposal are great and simple"

Bend Bulletin

The advantages to Coon's proposal are great, and simple. First, it would allow construction of the project quickly, without waiting for and fighting for congressional planning and construction appropriations over a period of years.

appropriations over a period of years.

Second, it would make no difference in the design, construction or operation of the dam. These would remain in the Federal government.

Third, the power distributors would put up all the powerallocable costs, not just part of them, in advance and not over a period of the next 50 years.

It would seem that opposition to the proposal would have to confine itself to the proposal that the region must have federal power or none at all before such opposition would be understandable. Which, we suspect, is just what they have in mind.

"... Construction of the dam could begin almost immediately"

Corvallis Gazette Times

"... Under Mr. Coon's bill the John Day dam would be owned at all times by the Federal government, and they would construct it and operate it. BUT no money for the power features of the dam would be taken from the general tax fund of the government, the Federal budget is not increased, and taxes are not higher until the money is repaid.

the money is repaid.

Under the terms of Mr. Coon's bill the power would be sold in advance to any electric utility, public or private. The Federal Power Commission will decide how the power is to be allocated among the utilities which want to take part in the financing.

Another great feature of this plan is that construction of the dam could begin almost immediately. This is most important. Almost every one knows that unless we get a tremendous increase in power development facilities we will be severely hurt by 1960 and be in critical condition by 1965. The latest figures show that close to one million dollars a day will have to be spent on this construction if the job is to be done. Another way of saying it is that we will have to complete a job the size of Bonneville every year."

"... A feasible plan for early construction of a much needed northwest power facility"

Salem Capital Journal

If there is anything wrong with this proposal, other than that it is wicked for anyone but the government to invest money in electric power generation, we'd like to hear it. For this looks like a feasible plan for early construction of a much needed Northwest power facility.

"... A constructive approach to the problem of power development"

Spokane Spokesman Reveiw

Five years ago congress authorized the construction of a multipurpose dam at the John Day site on the Columbia river... A bill has now been submitted to congress, by Representative

Sam Coon of Oregon, to permit financing of this federal project.

This is a constructive approach to the problem of power development in the Pacific Northwest. Representative Coon's proposal merits sympathetic consideration by the congress at the present session. If his plan is accepted by congress, and if the utilities are encouraged to invest in this project, John Day dam could be under construction in short order and at very little cost to the federal government.

"... A sound proposal"

The Dalles Chronicle

Rep. Sam Coon's new bill for construction of the John Day dam is the most attractive proposal yet for federal-partnership financing and construction of the multi-purpose Columbia river project.

"... Merits the support of both public power and private power people"

Yakima Sunday Herald

Congress should speedily approve the bill of Rep. Sam Coon of Oregon for financing of John Day dam.

It provides for a partnership of private and public utilities in financing the dam and for federal ownership and operation of the dam. Therefore we believe it merits the support of both public power and private power people.

A QUICK LOOK AT THE JOHN DAY PROJECT

Its total cost is an estimated \$310,000,000.

About \$273,000,000 would be advanced by local interests, as prepayment for power.

Navigation facilities—about \$37,000,000—will be paid for with Federal funds.

This financing plan for John Day will speed procurement of an essential power supply, vital to the continued economic growth of the Northwest.

In addition to advancing funds for construction of the power facilities, local interests will pay for operation, maintenance and replacement of power and related parts of the project.

Every cost allocated or charged for power operations will be repaid just as on other Columbia river dams owned by the Federal government. For example, the local participants will pay most of the first cost of fishways as well as of operation and maintenance.

Local interests will pay for transmission of power over government-owned lines if used.

Cost of power will be attractive to the prospective project participants, whether electric companies or public agencies, in comparison with BPA rates at the time John Day dam is completed, and increasingly so thereafter during the 50-year contract period.

The project will be Federally owned.

It will be designed, constructed, operated and maintained by the Army Engineers.

It will be a part of, and operated in accord with the comprehensive plan for the Columbia river.

It will be integrated with the Northwest Power Pool.

It will complete slack water navigation from the Pacific ocean to the Pasco-Kennewick area in eastern Washington.

It will produce 1,105,000 kilowatts of power, initially.

The equity portion of any financial participation by electric companies will be subject to State excise and Federal income taxes. These tax payments could amount to far more than the government's investment in non-reimbursables over the 50-year contract period—depending upon the degree of electric company participation.

PHYSICAL FEATURES OF THE JOHN DAY PROJECT

Location

217.3 miles from mouth of Columbia

28 miles above City of The Dalles

25 miles above The Dalles dam

75 miles below McNary dam

Layout

Includes:

Lock 86' x 675' with 14 feet over sills
Lift 95 feet

Over-all length about 4,000 feet
Spillway 22 bays 50 feet wide
Capacity 2,200,000 cu. ft./sec.

Power house 1,350 feet long
13—85,000 kw units—1,105,000 kw
Provision to expand to 20 units
Firm Power 595,000 kw
Average output 860,000 kw
Peaking capability 13 units 1,270,000 kw
Energy (annual) Prime 5,210,000,000 kwh
Total 7,540,000,000 kwh

Fish Facilities—2 ladders
1 lock

Flood Control Storage - 595,000 acre-feet

Irrigation Benefit—Reduced pumping head to upper level projects on both Oregon and Washington shores

Where did the name John Day come from?

The John Day project obtains its name from the John Day river which empties into the Columbia just a short distance above the damsite. The John Day river in turn was named for an early explorer into the Oregon territory.

John Day the man was a Virginia backwoodsman who joined the Astor-Hunt party in 1811. After falling behind the main party while traversing the rugged upper Snake river country, he and a companion underwent extreme hardshipe during the winter of 1811-12. He later reached Astoria, and is reported to have died in 1819.

President Eisenhower Recommends John Day Proposal

A bill to authorize local utility cooperation in financing early construction of the John Day dam on the Columbia River was introduced in Congress in 1955 and is now awaiting consideration.

In his State of the Union message this year, President Eisenhower strongly recommended favorable action on this bill. The President further endorsed the proposed legislation in his 1956 budget message.

This legislation is important to all of us in the Pacific Northwest.

We want you to know the essential facts about the John Day proposal and what it means to you as a consumer of electricity and a citizen of the region. That is why we are sending you this explanation of a practical and constructive method of developing more power in time to meet the rapidly increasing needs of the Pacific Northwest.

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