

ALLOCATION OF PRIEST RAPIDS POWER

<u>Agency</u>	<u>Percentages</u>	<u>Kilowatts</u>
Pacific Power & Light Company	13.9	87,570
Portland General Electric Company	13.9	87,570
Puget Sound Power & Light Company	8.0	50,400
Seattle City Light	8.0	50,400
Tacoma City Light	8.0	50,400
Washington Water Power Company	6.1*	38,430
Cowlitz County PUD	2.0	12,600
City of Eugene, Oregon	1.7	10,710
City of Forest Grove, Oregon	0.5	3,150
City of McMinnville, Oregon	0.5	3,150
City of Milton-Freewater, Oregon	0.5	3,150
Kittitas County PUD	0.4	2,520
Grant County PUD	36.5	229,950
TOTAL	100.0	630,000

*Includes 4.0% specifically allocated for use in Idaho and Montana.

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(Caption for Photo #67467. Steamboat wheel and diorama)

Want to know how it feels to pilot a steamboat? Visitors at the Tour Center at Wanapum dam may stand at this pilot wheel taken from a steamboat of the 1880's and gaze into the diorama of the Columbia River and get the feeling they are actually on the river.

This pilot wheel, mounted in an authentic replica of a steamboat pilot house, is one of many exhibits and displays of historical interest in the Tour Center.

The Tour Center is open from 8 a. m. until 4:30 p. m. Monday through Friday, and from 9 a. m. until 5 p. m. Saturday and Sunday of each week.

Several special events have been arranged for Grant County Visitors Days at Wanapum on April 22 and 23, to which all residents of Grant County are especially invited.

(Grant County PUD Photo)

The contract is believed to be one of the largest construction awards ever made in the Pacific Northwest and the largest ever made to a single contractor. It calls for the construction of an 8,412 foot long dam of reinforced concrete and earth-fill, with an installed generating capacity of 630,000 kilowatts, located 24 miles below Vantage, Washington. The Priest Rapids Project was designed by the Harza Engineering Company, of Chicago, which will supervise construction.

The \$91,878,625 construction contract, which was signed for Merritt-Chapman & Scott by William Denny, Executive Vice-President for the Company's Construction Department, represents about 93% of the total cost of construction and equipment. The other 7% will be contracted for at a later date.

Merritt-Chapman & Scott already has established a field office at Ephrata, Washington, headquarter's city for the Grant County PUD, and is prepared to start work immediately, Mr. Denny said.

The entire project is expected to require about four years for completion, with from 2,500 to 3,000 men employed at the peak of construction.

Priest Rapids will be the second dam under construction by M-C & S in the State of Washington. The Company's Construction Department currently is building Gorge High Dam across the Skagit River as a municipal power project for the City of Seattle. In addition to Priest Rapids, the Grant County Public Utility District has been licensed by the Federal Power Commission to build a second hydro-electric installation of approximately equivalent size about 18 miles upstream. Construction of this second project known as Wanapum Dam, is expected to be started in about two years under a separate contract.

Wanapum will have a rated generating capacity of 570,000 kilowatts. Within the United States, the combined 1,200,000-kilowatt capacity Priest Rapids and Wanapum are exceeded only by Grand Coulee and Hoover Dams.

The Priest Rapids Development is unique in that it is being financed by the sale of 49-year revenue bonds to be retired through the sale of power. No tax money or government appropriations are to be used for its construction.

Twelve public and private utilities in Washington and three other north-western states have signed 50-year contracts with the Grant County PUD for the purchase of 63.5% of the power generated by the Priest Rapids Development. Under their contract, they also agreed to be responsible for the same percentage of the annual cost of the dam, including debt retirement service.

Under the allocation plan, the Grant County PUD retains 36.5% of the total power, or about 230,000 kilowatts, for its own use. Other Washington utilities will receive 28.5%, or approximately 180,000 kilowatts, and purchasers in Oregon, Idaho and Montana will take 35%, or 220,000 kilowatts.

The Purchasers of Priest Rapids power also have an option to buy an equivalent percentage of the power to be generated by the Wanapum Development. All energy from Priest Rapids and Wanapum will be integrated with the Northwest Power Pool.

The start of construction of Priest Rapids Dam marks the culmination of almost six years of planning by the three PUD Commissioners - Mr. Arlt, Mr. Schempp and Geo. Schuster - by Glenn Smothers, Manager of the District, and other PUD officials.

Mr. Smothers, who remained at Ephrata with Commissioner Schuster,

pointed out that Priest Rapids and Wanapum will begin producing when power is most needed in the Pacific Northwest to meet a pending power shortage.

Mr. Smothers, who has been a leader in the planning for the Priest Rapids Project, is convalescing from a recent illness, and was unable to accompany the other PUD officials to New York.

"We of Grant County PUD feel," Smothers said, "that our success in working out the many problems in connection with the construction of Priest Rapids will lay the foundation for future development of power generating facilities by municipalities of the state to guarantee industry an adequate and continuing supply of power. This will promote confidence of industry in the Pacific Northwest and will provide a sound basis for a continued and expanding economy."

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The Harza Engineering Company of Chicago, Illinois, is now completing their specification contract with the Grant County Public Utility District. They have recently awarded a contract to the R. S. McClintock Diamond Drilling Company of Spokane for the drilling of four holes in the river bed for rock exploration at the power house and spillway sections.

The McClintock Company have sub-let most of the work to the firm of Lynch Brothers, Drilling Company of Seattle, who are now on the job.

Equipment has been delivered to the site, and the barge from which the drilling will be done was placed in the river Saturday. Drilling began Monday at the first location. The Contract calls for completion by February 2, 1956.

For Release Thursday, January 12, 1956

Drilling operations for sub surface exploration of the river bed at the Priest Rapids Dam site were begun this week by Lynch Brothers Drilling Company of Seattle, Washington.

The drilling will be done from this barge and is scheduled for completion by February 2, 1956.

2-16-1956
Jenkins
PUD

EPHRATA, FEB. 16 --- Paul G. Ellis, an Ephrata contractor, filed a suit Thursday in the Grant County Superior Court against the Public Utility District of Grant County and its commissioners, F. William Arlt, William Schempp and George Schuster, asking for a declaration as to whether the District can lawfully enter into a contract to build the Priest Rapids Development.

Commenting upon the suit, F. William Arlt, chairman of the PUD commissioners said, "The idea of building the Priest Rapids Development was first urged on the commissioners by a delegation from the Grant County Chambers of Commerce. After having an engineering investigation made by a nationally recognized firm of engineers, the PUD commissioners consulted with Wood, King and Dawson, New York, well known municipal bond counsel, and received the opinion that the District was proceeding in a legal and orderly manner in regard to the Priest Rapids Development. In accordance with this advice, the District has gone ahead with its plans to construct the Priest Rapids Development in order to provide for both the present and future power needs of the District."

Glenn Smothers, PUD manager said, "It seems strange that the attorneys for the prospective power purchasers would spend so much time negotiating with the PUD if they had any doubts as to our authority to build the Development. It is strange, too, that in all the hearings and meetings held before the granting by the Federal Power Commission of the license to construct the Development that this question, if there is a question, was not acted upon.

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Also, Public Law 544, under which the license was granted, was discussed in the House of Representatives and the United States Senate, without any question as to the authority of the Public Utility District of Grant County to build the Development.

"It seems almost inconceivable," Smothers continued, "that after the legal aspects of the Development have been carefully studied by our own bonding attorneys, and by attorneys for investment bankers, prospective power purchasers and engineering firms that the validity of the construction of Priest Rapids would be questioned at this late date."

Yakima Republic

EPHRATA -- The lawsuit filed on February 15 by Paul G. Ellis asking for a declaration as to whether the Public Utility District of Grant County can lawfully enter into a contract to build the Priest Rapids dam, will be heard in the Grant County Superior Court on Monday, March 26, Nat Washington, PUD attorney, said today. Associated with Washington are John Dawson of the New York firm of Wood, King and Dawson, and Harold Shefelman of Weter, Roberts and Shefelman of Seattle.

Ellis, an Ephrata contractor, is represented by Robert W. Graham of Bogle and Gates of Seattle. In addition to asking for a determination of the validity of the construction of Priest Rapids dam, Ellis also asks for a permanent decree preventing further work on the Priest Rapids development by the PUD.

Meanwhile, the District is proceeding on schedule, and will open bids in Ephrata on March 12 for the construction of Priest Rapids dam.

Jenkins
PUD
3-9-56

EPHRATA --- Bids will be opened at 2 p.m. Monday, March 12, at the Public Utility District of Grant County headquarters at Ephrata for the construction of Priest Rapids dam, it was announced today by F. William Arlt, chairman of the PUD commissioners. The invitation for bids was issued last February 10.

The construction cost of the project has been estimated at \$125,000,000 by the Harza Engineering Company of Chicago, engineering consultants for the PUD, so no bids will be considered that exceed that figure, Glenn Smothers, PUD manager, said.

Some of the largest contractors in the United States are submitting bids. About eight bids, several of them as joint ventures, are expected. Each general contractor will bid on the complete job and will be responsible for the work of all sub-contractors, Smothers said.

After the bids are opened it will take several weeks to evaluate the offers to make sure that specifications are being met on all phases of the work. However, the apparent low bidder will be known immediately.

Construction is slated to start on the dam July 1, 1956, and the contracts call for completion within 1900 days from that date.

The Priest Rapids dam is located 14 miles downstream from Beverly, and 73 miles upstream from the junction of the Snake and Columbia rivers.

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The dam will have eight generators of 83,000 KW capacity, up slightly from the initially proposed generator size of 79,000 KW, for a total installed capacity of 664,000 KW for the dam. The Development will be co-ordinated with the Northwest Power Pool, Smothers said.

The overall-length of the dam will be 8,835 feet with a maximum height of 175 feet from the deepest excavation to the top of roadway, with a 79 foot head. The Project will include a gated concrete spillway, an integral powerhouse, rockfill embankments extending to high ground on each abutment, upstream migratory fish passages, and provisions for future navigation locks.

EPHRATA, MARCH 9 --- Glenn Smothers, manager of the Grant County PUD, underwent surgery early today (Friday) at the Columbia Basin hospital for appendicitis.

His condition is satisfactory, E. B. Gibbons, assistant manager of the PUD, said.

Jenkins
PUD
3-20-56

EPHRATA, March 20 --- The suit filed February ¹⁶ ~~15~~ by Paul G. Ellis, Ephrata contractor, questioning the legal right of the Public Utility District of Grant County to build the Priest Rapids project, was dismissed Monday.

Ellis and his attorney, Robert Graham, met at Ephrata Monday with PUD Commissioners F. William Arlt, George Schuster and William Schempp to take depositions from the officials in regard to the Priest Rapids project. Also present were Nat Washington, Ephrata, and Harold Shefelman, Seattle, PUD attorneys.

The decision to dismiss the action followed immediately after the three commissioners gave their statements.

Glenn Smothers, PUD manager, said, "After Mr. Ellis and his attorney examined our records and received depositions from our District Commissioners they apparently found that the District was proceeding in a legal and orderly manner. I think Mr. Ellis' action in dismissing the suit is very commendable."

"We have always given first consideration to the best interests of the people of Grant county," said F. William Arlt, president of the commission, "And we repeat that the Priest Rapids project is to be constructed for the benefit of those people, insofar as their present and prospective requirements are concerned."

(more)

Commissioner George Schuster said, "Now that the lawsuit has been dismissed we can devote our full energy toward the financing of the project and completing the other details incidental to the job."

William Schempp, commissioner, spoke along similar lines. "The dismissal of the lawsuit is just one more assurance that after five years of planning, study and investigation another hurdle has been overcome in the building of Priest Rapids dam."

Jenkins
PUD
4-26-56

EPHRATA — Final agreement on the share of Priest Rapids power to be purchased by the major electrical utilities of the Pacific Northwest was reached with the Public Utility District of Grant County at meetings held here Tuesday and Wednesday of this week, F. Wm. Arlt, president of the PUD commissioners, announced today.

As required by law, the Grant County PUD is selling 31% of the electrical energy from Priest Rapids to Oregon utilities and 4% to Montana and Idaho utilities. The balance of the power will be sold within the state, with the PUD retaining 56% of the Washington state share. Priest Rapids is expected to generate 630,000 KW.

On May 3 the electric utilities will meet at Ephrata to agree on the final draft of the power sales contracts. These contracts are scheduled to be signed and delivered to the PUD by May 10.

Present at the Ephrata meetings this week were executives from Puget Sound Power and Light Company; Pacific Power and Light Company, The Washington Water Power Company, and Portland General Electric Company; with the municipal systems represented by the cities of Seattle and Tacoma, Wash.; the cities of Eugene, Forest Grove, McMinnville, and Milton-Freewater, Ore.; and Public Utilities of Cowlitz and Grays Harbor counties of Washington.

Jenkins
PUD
5-23-56

EPHRATA -- The last of the signed power contracts for the purchase of Priest Rapids power was received this (Wednesday) morning and cleared the way for the PUD to request a bid/revenue bond issue of approximately \$163,000,000 to finance the dam, E. B. Gibbons, assistant manager of the Grant County PUD, said this morning. The contracts are being held in escrow in an Ephrata bank pending sale of the bonds.

The Grant County PUD Commissioners have asked a syndicate headed by three companies to submit a bid on the revenue bonds. The syndicate is headed by Halsey Stuart & Co., John Nuveen & Co. and B. J. Van Ingen & Co. They will have 30 days in which to submit a bid on the bonds.

On May 14 the PUD Commissioners signed a letter of intent to Merritt-Chapman & Scott, New York contracting firm, notifying the contractors that their bid of \$91,878,625 submitted on March 12 was the apparent low bid for the construction of Priest Rapids. Formal award of a contract, however, will not be made until the revenue bonds are sold.

The bid of Merritt-Chapman & Scott will account for about 93% of the actual cost of construction and equipment. The other 7% will be contracted for at a later date.

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The remainder of the bond issue will be for engineering, interest, right-of-way, preliminary surveying, sales tax, flood rights, working capital, reserves and other nonconstruction items.

Twelve major electric utilities of the Northwest have signed contracts to purchase 63.5%, approximately 400,000 KW, of the output of Priest Rapids, which is expected to generate 630,000 KW.

The purchasers' share is divided with Washington utilities taking 28.5%, approximately 180,000 KW, and the out-of-state purchasers represented by Oregon, Idaho and Montana, receiving 35%, or approximately 220,000 KW. The Grant County PUD retained 36.5% of the total, about 230,000 KW, for its own use.

The purchasers also have options for the purchase of the same percentage of power from Wanapum dam, located upstream from Priest Rapids, on which construction is expected to start two years after the start of the work on Priest Rapids.

House Bill 544 authorizing Grant County to go ahead with the Priest Rapids Development required that a reasonable amount of power be offered for sale in neighboring states.