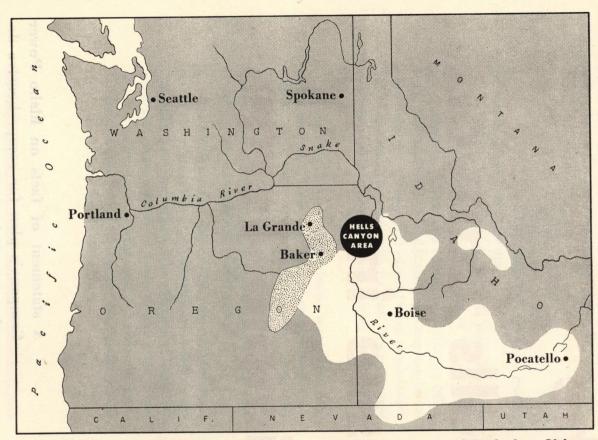
The Hells Canyon Issue in Simple Terms

A statement of facts on Idaho Power Company's plan for comprehensive development of the Snake River with hydroelectric plants at Oxbow, Brownlee and Hells Canyon.



This map of the Pacific Northwest shows the territory served by the Idaho Power Company in white. The dotted portion of the map is the eastern Oregon area served by California-Pacific Utilities, Inc., which receives substantial

amounts of power at wholesale from Idaho Power Company. Both companies rely upon the proposed Idaho Power Company development of the Hells Canyon power sites for the future needs of the people they serve.

The Hells Canyon Issue In Simple Terms

The controversy surrounding the proposed development of the Hells Canyon stretch of the Snake River can be reduced to this simple proposition:

"Which plan of development is most beneficial to the people of the area and of the nation?"

All other considerations are subsidiary. The final determination will be made on this basis.

In fact, the Congress has given to the Federal Power Commission the specific responsibility of determining which resource development plan is best in the public interest not only in this case, but for all other hydroelectric projects in the United States for which licenses are granted.

It is easy to define the issue, but difficult to determine what is truly best in the public interest when emotional appeals are made which conflict with facts of engineering and economics. Extensive hearings of technical testimony must be conducted, witnesses must qualify as to competence, testimony must be given under oath, and cross-examination permitted. Ultimately the truth will be established.

This process has been taking place in the formal hearings before the Federal Power Commission in Washington, D. C. Public confusion has resulted by the widely-disseminated claims and opinions of public power supporters who oppose development by private enterprise. Their claims, as well as those of Idaho Power Company, will have been tested by the agency authorized by Congress to decide which of conflicting programs best meets the test of comprehensive development.

Idaho Power Company states, in this booklet, a summary of facts in support of its program which has been presented to the Federal Power Commission. We think the public is entitled to know the Company's position, and the findings of its engineers.

We sincerely believe the Company's proposed program meets the test of being "most beneficial to the people of the area and of the nation."

Idaho Power's Program In Summary...

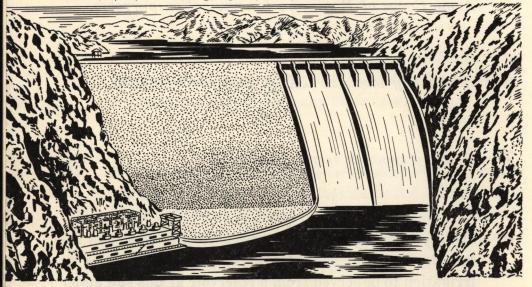
The Company's program will-

- fully develop the Hells Canyon stretch of the Snake River at a far lower construction cost—and at a far lower cost of producing power than any other plan.
- Produce approximately the same amount of power at site and downstream as the proposed single federal dam. Any small difference in output which might for a relatively short period and under certain temporary conditions favor the single dam would be prohibitively expensive.
- Make possible the production of over 40 billion kilowatt hours—the output of Bonneville Dam for approximately 10 years—prior to the time a single high dam and power plant could be completed. The three plants at Oxbow, Brownlee and Hells Canyon proposed by the Company can be completed in 38 months.
- Provide 1,000,000 acre feet of usable storage—the maximum dependable amount afforded at the site after taking into account the future upstream irrigation development and resulting depletion of water available for power storage purposes.

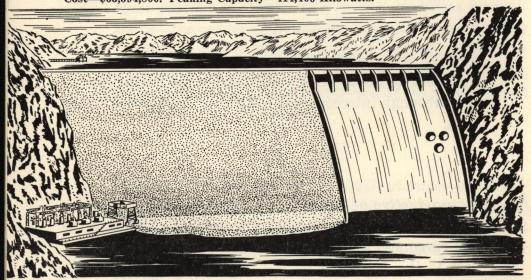
- 5 Fully provide the release of water desired by the U.S. Army Corps of Engineers for navigation purposes.
- 6 Adequately meet the test of flood control needs.
- 7 Create a superior recreational area.
- 8 Fully protect irrigation water rights of present and future agricultural development upstream. (There is no irrigation to be served from a reservoir at this site under any plan.)
- Provide large blocks of low-cost power rapidly to serve the needs of Snake River Valley and of the Pacific Northwest through interconnection with the Northwest Power Pool.
- *Be productive of \$10,000,000 annually in tax revenues* for federal, state and local taxing units *in addition* to the tax revenues created by users of the power—all without cost to the taxpayers.

3 Great Dams Will Fully Develop the River

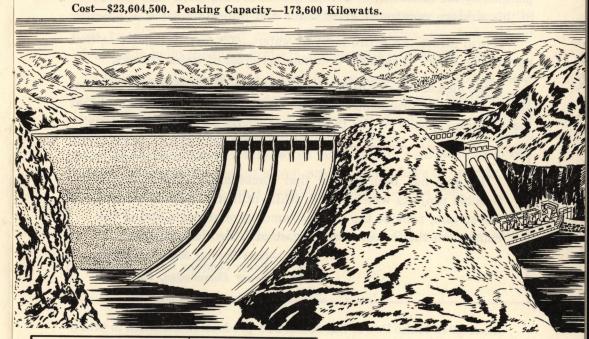
HELLS CANYON DAM 46 feet higher than Niagara Falls. Cost—\$45,800,800. Peaking Capacity—312,800 Kilowatts.

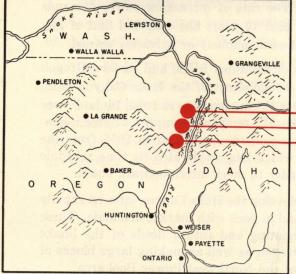


BROWNLEE DAM More than four times the height of Bonneville Dam. Cost—\$63,594,800. Peaking Capacity—414,400 Kilowatts.



OXBOW DAM Nearly double the height of Bonneville Dam.





HELLS CANYON SITE
OXBOW SITE
BROWNLEE SITE

TOTALS

Cost \$133,000,000
with an additional 21,000,000
for transmission
facilities \$154,000,000

Peaking Capacity—900,800 kilowatts

A BIG PROJECT...

The development of the Hells Canyon stretch of the Snake River as planned by the Idaho Power Company is one to fire the imagination, even in this western country of great dams and projects.

It will utilize the entire head of water—602 feet—available at that part of the river. It calls for a million acre feet of water storage.

Some idea of the size of the project can be gained from the fact that Mr. T. E. Roach, president of the Idaho Power Company, testified that the peaking capacity of the three plants would be 900,800 kilowatts.

"The goal has been to find that combination of economical, feasible projects which would, while utilizing the full head of the stream, provide the greatest amount of storage, and at the same time the lowest over-all cost of hydroelectric energy."

—from Opening Statement, Idaho Power Company before Federal Power Commission, July, 1953

Since 1946 Idaho Power has added new production facilities to nearly quadruple its wartime capacity. The rate of increasing power demands on the Company's system in the past 10 years has exceeded that of any other system in the Pacific Northwest, publicly or privately owned.

The increasing power needs of southern Idaho and eastern Oregon require the prompt and orderly development of the Hells Canyon sites. For lack of being able to proceed with construction in 1953, Idaho Power Company has arranged to purchase a temporary supply of steam-generated power for anticipated requirements beginning in 1955 from the Utah Power & Light Company, which has accelerated its time schedule of steam-plant construction in order to meet intermountain needs.

Idaho Power Company will develop the Hells Canyon sites as rapidly as FPC licenses can be secured and in pace with market demands. These power plants will provide for existing and future needs of the Snake river valley area of Idaho and Oregon as well as making large blocks of power available for other parts of the Northwest Power Pool area.

More Power Quickly Available . . .

One of the great advantages of the Idaho Power plan of development is that it can be brought into being with remarkable speed. Mr. Roach, supported also by expert construction and engineering testimony, announced in Washington hearings that the first generator could be on the lines twenty months after commencing construction, the last one—if advisable to build the three projects concurrently—in 38 months.

The Department of the Interior, in a statement issued May 5, 1953, said: "... It is reasonable to assume that the first unit of the three-dam [Idaho Power] project can be on the line seven or eight years before the Hells Canyon [Federal] Dam can be in production. During this period there would, in effect, be a substantial loss of power and, based upon reasonable estimates, the Hells Canyon project would have to operate more than 25 years before it could possibly make up for the loss."

The Department went to the heart of the matter by saying further—

"It could never replace the loss at the present time when it is very critical."

This is indeed the crux of the matter—the Northwest is short of electric power, the shortage being particularly acute in the western portion of the Northwest Power Pool area.

The Idaho Power Company development of the Hells Canyon stretch of Snake river would produce 40 billion kilowatt hours before the federal dam and power plant could be completed. The Company's plants will be operated in conjunction with the Northwest Power Pool, and will make possible a substantial amount of new power from existing installations downstream on the Columbia river.

The Facts About Power Production and Cost

On a comparable basis, construction cost of the single dam proposed for federal construction at Hells Canyon would amount to \$429 million, while the Company's 3-dam project would cost \$133 million. Who pays?—in the case of the Company's project, investors provide the funds. In the case of the federal project, the nation's taxpayers.

What then is purchased, in the way of electric power production, from these two widely different outlays of money? One of the purposes of the hearings conducted by the Federal Power Commission is to subject the various claims to searching examination and to arrive at the true merits of each plan.

Idaho Power Company estimates that the single dam would result in the addition of only 47,000 kilowatts of prime power, "at site" and downstream, more than the Company's 3-dam project would provide.*

This increased amount of power, 47,000 kilowatts, would result from spending \$296 million, or the difference in cost between the two plans. The cost *per kilowatt* of power added by the federal project in excess of the Idaho Power Company's project is \$6,298!

Compare this with \$254 per kilowatt cost of prime power estimated by the Company for its entire project, and you will see why the Company contends the federal project to be extravagantly wasteful in concept. The proposed federal project at Hells Canyon is not cheap—nor will it produce cheap power. The introduction of a power supply into the Northwest area at such an exorbitant cost could only result in higher electric rates.

Some engineers' estimates of power production vary from those of the Company because they do not assume as great an acreage of new land to be irrigated in the Snake River Valley in the next 50 years as do recognized local experts. Some estimates do not take into account the minimum release of 5,000 cubic feet per second of water at Hells Canyon for navigation purposes as desired by the Corps of Engineers.

*The Company estimate is based upon the following assumptions: (a) a 42-month critical water period; (b) the completion of five new downstream projects within the next 25 years; (c) the irrigation of 725,000 acres of additional land above the Brownlee site in Idaho and Oregon between 1948 and 1977; and (d) the minimum release of 5,000 c.f.s. of water at Hells Canyon for downstream navigation purposes.

Even if the difference in prime power production of the two plans were as much as 180,000 kilowatts, as some engineers have estimated (using different premises than the Company used for its computations), the cost per kilowatt for the difference would be \$1,647—over 6 times the cost per kilowatt of the Company's project.

Cost of construction is not the only important measure of the two plans. Annual cost of operation would affect power rates directly under either plan.

On the basis of federal financing, the annual cost of operating the proposed single dam and of carrying its debt would be \$19,650,000. On the same basis the annual cost of the 3-dam project would be \$6,086,000. Major-General T. M. Robins, testifying as an independent engineer, said that power would cost \$24 per kilowatt year from the federal project, compared to \$12 from Idaho Power Company's project.

The Proposed Federal Hells Canyon Project

Twice Refused by Congress...

Twice in recent years, Congress has considered this proposal, and twice has refused to approve the idea.

One bill was indefinitely postponed by a unanimous, bi-partisan committee vote after lengthy hearings—the other was defeated by Senate vote. The present state of the federal budget, the need for economy and tax relief, both make it highly doubtful that Congressional approval could be forthcoming on such a project, even though its merits were unquestioned. There are needed federal projects in the Pacific Northwest on which scarce tax dollars, if available, should be spent.

Would Not Produce Cheap Power

Either the project could not pay out, or higher rates for power would

be required. If the project were added to the federal system, Bonneville rates would be directly affected.

If electricity from the proposed federal Hells Canyon dam were sold at the so-called Bonneville rate of \$17.50 per kilowatt year, the yearly deficit would be so large that in 50 years the debt against the dam would have nearly doubled.

Claims Have Been Exaggerated

Close examination of claims of power production from the proposed federal project show that they have been vastly inflated. Calculations of the amounts of water available in critical water years have been over-estimated, navigation requirements almost ignored, upstream irrigation increases in the use of water (with consequent lesser amounts for power generation) have been assumed to be ridiculously small.

It Will Interfere With The Growth of Irrigation ...

At the present rate of increase, 50 years hence will see over 1,200,000 acres of added land put under irrigation in the area of southern Idaho and eastern Oregon above Hells Canyon. Each new acre irrigated requires about two acre-feet of water every year. The water required for the irrigation of this new land obviously will not be available for storage behind a high dam at Hells Canyon, and therefore the proposed federal project is wholly unrealistic. Conversely, if water sufficient to fill the reservoir of a high dam is pre-empted for power, it will not be available for irrigation.

Carefully Integrated With Irrigation, With Benefits to Navigation, Flood Control, and Recreation

Irrigation Needs Are Paramount...

Throughout its entire existence, Idaho Power has followed a strict policy of subordinating its needs of water for power to those of water for irrigation. This project continues—and strengthens—that policy.

The Company's water permits secured for development of the Hells Canyon area contain the following protection of irrigation:

"The rights herein granted for the use of the waters, stream bed and other lands of the State of Idaho, necessary for the construction and operation of the dam and reservoir, are subject to the conditions that the project shall be operated in such manner as will not conflict with the future depletion and flow of the waters of Snake River and its tributaries, or prevent or interfere with the future upstream diversion and use of such water for the irrigation of lands and other beneficial consumptive uses in the Snake River watershed."

The Company has provided, in the plans for development of the Hells Canyon area of the Snake, for one million acre feet of useful water storage behind Brownlee Dam. The federal proposal provided more—but to fill more than one million acre feet every year would be impossible.

Competent witnesses have testified that storage greater than one million acre feet of water at Hells Canyon would in some future years require taking needed water away from upstream irrigation.

Navigation Needs Met....

The U. S. Army Corps of Engineers desires—and Idaho Power has incorporated in its plans—a minimum flow for navigation purposes of 5,000 second feet at Hells Canyon, whereas the projected federal dam has been planned for a release of only 2,000 second feet or less.

If the desired navigation release is provided, and if the federal plant produces its claimed capacity, a reservoir of the capacity proposed for federal construction could be filled during the storage season in only one year out of 20 years of stream flow records, taking into consideration the future upstream depletion for irrigation. The Idaho Power Company's storage reservoir with its three plants producing the claimed capacity would be filled in 16 out of the 20 years during the same period.

Flood Control Features

Similarly, the Brownlee reservoir has been designed in careful coordination with the needs of the Corps of Engineers for flood control. The 1,000,000 acre feet of usable storage would provide reasonable control of the surplus waters of the Upper Snake against such floods as occurred in 1948 at Vanport.

Much has been made of the claim that a high dam at Hells Canyon would have contributed greatly to a reduction in the 1948 flood. The facts are, however, that at the time of the 1948 flood the flow of the Snake River at Oxbow was approximately 50,000 cfs. At the same time, the flow of the Salmon River was 103,000 cfs and that of the Clearwater 177,000 cfs. Clearly, the upper Snake River was not responsible for the flood at Portland, and if federal funds are available for flood control purposes it is

logical that these funds should be invested on the rivers where the flood waters originate.

The Review Report on Columbia River and Tributaries dated January 28, 1954 by the U.S. Corps of Engineers contains the following statement about flood conditions in the Snake River basin:

Part I, Chapter VI, Paragraph 239 d., Pages 168 and 169:

d. "The magnitude and frequency of spring snow-melt floods of Clearwater River, as shown by flood hydrographs, are consistently greater than those on Salmon River, or on Snake River above its confluence with Salmon River; furthermore, Clearwater River is subject to late fall and winter rainstorm floods exceeding in magnitude any floods of record on Salmon or Snake Rivers, and thus Clearwater River being the principal and most frequent flood producing stream in the entire Snake River Basin, floods on this stream must be controlled. Clearwater floods contribute substantially to lower Columbia Basin damages and cause serious local damages within the basin; storage in the Clearwater River Basin is highly desirable; and, controlled release of such storage water would be beneficial locally and regionally in alleviating floods, in increasing low-water flows, and in augmenting downstream power generating capabilities."

Recreation Advantages ...

The new roads the Company will build for construction, and two additional river crossings provided on top of Oxbow and Brownlee Dams will open a whole new, magnificent area to the public. A new 22-mile constant level lake will rise in the most superbly scenic part of the Canyon: long lakeshore lines will offer almost unlimited water recreation. The Company will create new park and picnic areas at the power plants, as it has done at other such locations. Fishing will be improved; grass, shade, camp sites will be greatly increased. Water levels in the two lower lakes will be relatively constant—by contrast, the water level behind the proposed federal dam would fluctuate very widely, at most seasons of year leaving unsightly areas which could not be used for recreational purposes.

Anadromous Fish

Most of the migratory fish—steelhead and salmon—entering the Snake River go up the Salmon River to spawn. However, above the mouth of the Salmon River, passage of some anadromous fish through the Hells Canyon on their way upstream to spawn in the main stem of the Snake River and its tributaries between Weiser and Swan Falls presents a problem when any type of dam is constructed in the canyon. Joint studies are now being made by the Oregon Fish and Game Commissions, the Idaho Fish and Game Commission and Idaho Power Company personnel in order to determine the most practical solution to the problem.

Testimony ... Of Expert Witnesses

Robert deLuccia

ROBERT DE LUCCIA-Chief of the Bureau of Power, Federal Power Commission, until he resigned in 1951; earlier with the Metropolitan Water District of Boston and Stone and Webster Engineering Corporation; six years with the U.S. Army Engineers, engaged in river basin development: hydroelectric projects, navigation, flood control and water resource development — first assistant to the Chief of Engineers in wartime supervising a \$400 million construction program, following which he served overseas in operations and engineering in General Eisenhower's headquarters: following the war he organized and headed the Bureau of Power for the Federal Power Commission, and was responsible for studies, advice and reports to the Commission on Federal and multiple purpose projects and adaptibility of projects to a comprehensive plan of water resource development: delegate and sometimes chairman to international conferences on electric power in Stockholm, Paris. London; resigned from the FPC in 1951, and is now Vice President and Chief Engineer, Pacific Power and Light Company, Portland, Oregon.

Mr. deLuccia, in his testimony, concluded that about the same amount of power could be produced "at site," by either plan, but far more economically by the Idaho Power plan. Additional power would be produced at downstream plants under the federal plan, so the question then is—what would be the cost of this additional power?

After careful computation and analysis, Mr. deLuccia found that the additional power which could be generated by the federal dam would cost \$57.80 per kilowatt year—against \$12.50 for power generated by the Idaho Power dams. Another comparison is to add to the \$57.80 figure the transmission cost of \$7.71 per kilowatt; the total, \$65.51, is three and three-fourths times the Bonneville Power Administration delivered rate of \$17.50 per kilowatt year.

Appropriations

It is unrealistic, said Mr. deLuccia, to expect to secure appropriations for a federal dam at Hells Canyon. Even without Hells Canyon, the amounts required for Northwest projects planned for 1955 through 1961 will be greater than the average of all funds appropriated to the Northwest for 1949 through 1954. A federal dam plus transmission lines would cost \$477 million—which, if taken from appropriations, would disrupt the rest of the planned construction program for the Northwest.

Navigation

The federal plan is inferior to the Idaho Power project with respect to navigation, because the minimum power generation—66,000 kilowatts—would provide for a water release of only 1500 to 2000 second feet, well below the 5000 second feet indicated as necessary by the Army Engineers. On the other hand, if as much as 5000 second feet is to be provided for, then the estimates of amount of power generation that would be possible must be reduced.

Best Plan

More and more new lands brought under irrigation upstream, as is now going on, will require increasing amounts of water. The smaller water storage space (but still one million acre feet) of the Idaho Power projects has more certainty of continued use for a longer period than the larger storage space the federal dam would create.

Mr. deLuccia closed his testimony with this statement:

"As a result of my review and study in this matter, it is my carefully considered opinion that a three-dam scheme of development is much better adapted to a comprehensive development of the Hells Canyon section of the Snake River than would be a single high dam and should be adopted in preference thereto, irrespective of whether the works are constructed by the federal government or by non-federal agencies, public or private."

Testimony...

General Robins

MAJOR GENERAL THOMAS M. ROBINS, RETIRED — Graduate of West Point, Engineers School, Command and General Staff School and the Army War College; retired from the U.S. Army Engineers with the rank of Major General after serving as District Engineer, Division Engineer, President of the California Debris Commission, President of the Board of Engineers for Rivers and Harbors, Chief of the Civil Works Division of the Office of the Chief of Engineers, and as Deputy Chief of Engineers: Division Engineer of the North Pacific and South Pacific Divisions, 1929-1938, in charge of investigations and reports, including those dealing with the Sacramento - San Joaquin river system and the Columbia and tributaries; now a consulting engineer in Portland, Oregon, dealing with problems involved in development of water resources of the Pacific Northwest.

General Robins, after having described in detail the Army Engineers' plan for the comprehensive development of the Columbia River Basin, presented a study of the navigation and flood control aspects of the proposed federal dam at Hells Canyon and of Idaho Power's development of the Hells Canyon area. He also compared the relative costs of the two projects if both were viewed as alternative federal projects.

Navigation

General Robins pointed out that the U. S. Army Engineers desire—and Idaho Power has incorporated in its plans—a minimum flow of water when needed for navigation purposes of 5000 second feet at Hells Canyon—whereas the projected federal dam has been planned for a release of only 2000 second feet.

Speaking of possible upstream commercial navigation on the pool which would be created by the federal dam, Robins labeled the idea "of little or no value and any benefit proposed to be created to any commercial navigation on this pool cannot be justified and certainly cannot be claimed as a benefit to the general public."

Flood Control

In the opinion of General Robins the Idaho Power plan offers substantially the same flood control benefits as the proposed federal dam. However, in the General's judgment the most desirable type of flood control to prevent major floods on the Columbia would be the regulation of the Salmon and Clearwater Rivers.

Best Plan

General Robins' appearance on the stand before the Federal Power Commission examiner closed with this very positive statement of his belief:

- "Q. What do you think is the best plan for developing that stretch of the river?
- "A. (by General Robins) I think the 3-dam plan with the storage in the upper dam and the remaining head developed by two dams down-stream is the most economical and best plan."

The "Cotton Report"

Much ado was made prior to the hearings about an engineering study made under contract with the Department of Interior in late 1952 and early 1953, by John S. Cotton, consulting engineer of San Anselmo, California, comparing the Bureau of Reclamation plan for a dam at Hells Canyon with Idaho Power's 3-dam project. It was predicted by those opposing the Idaho Power project that the so-called "Cotton Report" would completely discredit the Idaho Power plan, etc.

Under cross examination Mr. Cotton admitted among other things:

- —his closest approach to the river site in recent years was by flying over it on a scheduled United Air Lines flight from Boise to Portland;
- —he visited the area briefly some ten years ago, while employed by the Federal Power Commission;
- —he refuted earlier references to himself as "former chief engineer of FPC";

- —most of his information regarding the projects had been furnished him by the Bonneville Administration and the Reclamation Bureau regional office at Boise; he admitted not having talked with Idaho Power engineers regarding the company's plan;
- —he had not secured specific cost information from manufacturers of equipment to support his cost estimates:

and toward the end of cross examination Mr. Cotton admitted his report does not compare the high dam proposal with Idaho Power's plans for plants for which licenses are sought.

The St. Louis Post-Dispatch summed up the Cotton testimony editorially as follows:

"John S. Cotton has completely discredited his report on Hells Canyon favoring the Reclamation Bureau development plan and rejecting the Idaho Power Company plan. The California consulting engineer showed time after time, under cross-questioning by Idaho Power counsel at the Federal Power Commission hearings, that he had not known what he was talking about.

"Mr. Cotton had made no investigation on the site. He had not examined Idaho Power's plans or conferred with its engineers. He had not contrasted the Reclamation Bureau's one proposed high dam with Idaho Power's three proposed dams, but rather with three dams he made up in his own mind. He added in one \$4,000,000 figure twice.

"He estimated roads would cost \$400,000 but admitted he did not know the present condition of the roads at the site. He included a figure for homes for 45 workmen to be permanently employed at the completed dam, and also \$1,000,000 for automatic controls which would make it unnecessary for the workmen to be there.

"In fewer words, Mr. Cotton's report was superficial, one-sided, slipshod, and irrelevant."

The Department of Interior's Policy Toward Both Plans...

On May 5, 1953, the Department of Interior issued a statement of official policy toward the various plans offered for developing the middle stretch of the Snake River. The statement is long (four pages), too long to be repeated in its entirety here, but the most pertinent portions are given herewith, including the conclusion at the end:

Issues

"The Department of Interior would be playing the reprehensible part of 'a dog in the manger' if it insisted on opposing a badly needed development that private capital is ready and willing to undertake if the plan proposed by the Idaho Power Company is reasonably comparable as to results, while the Department itself has no assurance that it can carry out its plan without extended delay.

"The matter then reduces itself to two basic questions which are:

- 1. Will the plan to build the Hells Canyon, Oxbow, and Brownlee Dams permit reasonably comparable development of the natural resources involved and avoid serious wastage?
- 2. Will it be possible to find other reasonably comparable means of providing a subsidy for the reclamation features of this project?

"While the responsibility for resolving the first question is by law a matter for the Federal Power Commission to determine, we do recognize that the matter can be argued either way. If cost and economics and time of completion are discounted, the Hells Canyon Project will probably produce more total prime power than the three dam plan though even this point can be contested. However, our general studies do not indicate that the advantage is large.

Power—Speed of Completion

"It should be noted that, considering the time necessary for design and construction before initial production of power and the need for balancing the national budget, it is reasonable to assume that the first unit of the three-dam project can be on the line seven or eight years before the Hells Canyon Dam can be in production. During this period there would, in effect, be a substantial loss of power and based upon reasonable estimates, the Hells Canyon project would have to operate more than 25 years before it could possibly make up for the loss. It could never replace the loss at the present time when it is very critical.

Flood Control

"In so far as flood control is concerned, there is little to choose between the two plans. Either the Hells Canyon Dam with its larger storage capacity and the Brownlee Dam with its lesser storage capacity would, if they had been operated perfectly, have had the effect of reducing the crest of a flood equal to that of 1948 by about 0.7 feet at Portland. For larger floods on the Snake River, which occur infrequently, the Brownlee Dam would be somewhat less effective than the Hells Canyon Dam.

Navigation

"The Hells Canyon Dam would be somewhat more effective in improving navigation but this benefit is small in any event.

Reclamation

"The responsibility for resolving the second question, which has to do with reclamation subsidy, is not a direct concern of the Federal Power Commission but rather a matter for the Department of the Interior and the Congress to consider. The Hells Canyon project is not an integral part of the Payette Unit or any other reclamation project and so there is no reason why it need be considered the only project that can be used to create this subsidy. For this purpose, and if Congress agrees, there appears to be no reason why other projects in the Basin could not be used with the same logic as that proposed for Hells Canyon. Of these other projects there is Mountain Sheep or Nez Perce on the Snake River, several dams on the Salmon and more on the Clearwater Rivers.

Interior Withdraws

"In view of these circumstances and since by law the Federal Power Commission is clearly charged with considering the matter of full and reasonable development of the resources involved, the Department of the Interior will follow the usual and normal process of furnishing the Federal Power Commission with all information, plans and other data available to the Department in the matter and will abide by the findings of the Commission. Accordingly, the Department will withdraw the petition for intervention filed on June 27, 1952."

THE Hells Canyon issue can be reduced to this simple proposition:

"Which plan of development is most beneficial to the people of the area and of the nation?"

Testimony in this much debated matter is being heard before the body designated by Congress to resolve such questions—the Federal Power Commission. The Commission, together with its staff, is a competent and impartial professional group, highly qualified for its task.

Under the law the Commission must determine which plan best meets the test of comprehensive development and which is best in the public interest. This is a matter of determining facts of engineering and economics—not one which can be properly settled by emotional appeals and political controversy.

The public interest requires that the controversy be placed above the political maneuvering and delaying tactics which have characterized the approach of those who insist upon federalization of power at any price. Creation of a political controversy must not replace a sound determination of what is best for the people of the Pacific Northwest and of the nation.