

THE COLORADO RIVER STORAGE PROJECT (H. R. 3383)

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I. The Legislation

The bill authorizes a twenty-year construction program of four storage dams (one subject to feasibility findings by the Secretary of the Interior) and eleven irrigation developments. The storage dams are Glen Canyon, Flaming Gorge, Navaho and Curecanti.



II. Cost

The structures, costing about \$760 million, are financially self-sustaining. The costs ranging from \$500 to \$700 per acre would be repaid in fifty years and represent about \$10 to \$12 per acre per year. These costs correspond to those of other successful projects in this area.

Only three percent of the capital investment would be non-reimbursable; the rest would be returned to the Treasury in power and water revenues. Interest would be paid to Treasury on the power and municipal and industrial water investment, this investment to be repaid within fifty years from completion of each unit. Irrigation investment in each project will be repaid within fifty years from the end of the statutory development period.

III. Echo Park

Echo Park Dam is in the Senate bill but not in the House bill. Senate conferees and the Administration are agreeable to deletion of this dam. As a result the Council of Conservationists no longer opposes the bill.

IV. Crop Surpluses

These projects will not increase the crop surplus. It will take at least twenty years to complete the project and thirty to reach full development. In this period some 700,000 new acres of production will be needed for the population increase of the Upper Basin alone. The projects provide water supply to only 366,000 acres. Of these only about 120,000 would be newly irrigated land.

Half of the land to be served is now in surplus crops. With adequate water, at least 50 percent of this land will go out of grains and into non-surplus fruits, vegetables and alfalfa.

V. Public Power Question

Ten private power companies support the project. At least 85 percent of the power in the Upper Basin will be sold to private power companies.

There is no Federal subsidy, as the power costs will be amortized with interest. Moreover the power will not provide ruinous competition to private companies. The expected average rate is 6 mills, over 1/4 of which will provide revenue assistance for irrigation.

VI. Need for the Project

The storage dams will conserve water in the arid regions of Utah, Colorado, Wyoming and New Mexico, providing irrigation, power, municipal and industrial water supply and some flood control benefits. The construction will diversify the crop production, stabilize agricultural income in the area, and create new markets for the products of the rest of the nation.

The Upper States in the Colorado River Compact have minimum flow commitments to the Lower States of Arizona, California and Nevada. Large storage reservoirs are essential to meet these commitments and at the same time permit the Upper States to use their share of the water.

