

# Industrial Development Hope At Dam Hinges on Generator Problem

Ed. W. Clark Outlines Plans of Colorado River Commission of C. of C.

"The only hope for any sizeable industrial development in this area thru the use of cheap power, lies in the ability of the Colorado river commission to make a satisfactory arrangement with the bureau of reclamation whereby Nevada can install her own generating equipment and get a new power contract free from the restrictions of that we now have with the city of Los Angeles."

This was the message brought to the Las Vegas chamber of commerce today by Ed W. Clark, veteran Nevada Colorado river commissioner, who appeared at the request of President Harvey Luce to explain the critical situation in relation to the power situation.

Clark began by explaining the organization of the present Colorado river commission, pointing out that "the northern part of the state is interested in this area and was anxious that the commission be composed of men representing all sections of the state. They are working toward our development."

"In the earlier stages of the development of Boulder dam, the government could not build the project until the power was contracted for," Clark stated. "At that time neither Nevada nor Arizona was in a position to make such a contract, but the bureau of power and light of Los Angeles contracted for the power."

"Those interested in the development of Nevada insisted that we should have some rights, and a contract was made for 18 per cent, amounting to about 120,000 horsepower."

"Unfortunately these contracts are so entwined that to withdraw up to 5000 horsepower, it is necessary to give two years notice to the bureau. That is proper from the standpoint of the Los Angeles company, I suppose, but when the A. O. Smith company wanted power to develop mining property at Round Mountain, it was impossible, and they found that they could get it cheaper through a private company than from Nevada."

"One of the contract requirements is that we must give two years notice to withdraw 5000 horsepower, and if we want to release a block of power up to that amount, the same period of notice must be given.

"This places the state of Nevada in the position that it must exact a bond from a contracting company wanting the power, and if less than the amount contracted is used, it must be paid for. This is a serious situation, as the big companies will not buy the power in advance in that way.

"These developments have brought the recent action of the Colorado river commission. We contacted a professor at the University of Nevada, and it is suggested after various conference that we ask the government to install a generator for the states of Nevada and Arizona.

"We have taken this suggestion to the people of Arizona. After discussing it with them we will contact the bureau of reclamation and go to Washington and ask for a new contract on power on this basis. Indications point to the probability that the government will meet the request. This is our only hope for large development in this area through the use of cheap power in the next few years.

"After we get the generator, our next problem will be to get consumers. While the commission has not expended the \$25,000 appropriated for its use, we have not been idle. We have contacted 10 or 12 possible consumers. Some of them have gone into detail to inquire about conditions under which they would be able to get the power, in large blocks.