

Would Make Base Price Of Firm Power One Mill Per Kilowatt Hour

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WASHINGTON, May 21. (U.P.)—Nevada and California congressional delegations joined this morning in a demand for inclusion in the Bonneville act the amendments which will make possible reduction of the base price of firm power at Boulder dam to one mill per kilowatt hour.

Presenting a united front and appearing before the house rivers and harbors committee which has the bill under consideration, the delegation designated Senator Key Pittman of Nevada as spokesman.

He requested that provision be made for lowering the interest rate on deferred amortization payments on Boulder dam from four to three per cent, postponing repayment of the \$25,000,000 of the cost allocated to flood control until after the rest of the dam's cost had been amortized, and forgiving the interest on that sum.

It is believed that if these three proposals are adopted that the price of Boulder dam power can be reduced from the present base of 1.63 mills per kilowatt hour to 1 mill, placing the southern Nevada project on equal footing with Bonneville, Coulee and other western hydro-electric developments.

The agreement to proceed along this line was reached yesterday afternoon at a conference between representatives of Nevada, California and the interior department.

Included in the program would be another amendment which would provide an annual, guaranteed income to the states of Arizona and Nevada of \$300,000 each in lieu of taxation and in lieu of the 18 $\frac{3}{4}$ per cent of excess revenues provided in the original Swing-Johnson bill.

This amount was agreed upon by the representatives of Nevada and California and Senator Pittman informed the committee that the whole program would be supported by the Arizona congressional delegation.

Acceptance of the annual guaranteed revenue is dependent on approval by the legislatures of Arizona and Nevada.

Pittman explained that the reason the terms of the compromise were to be included in the Bonneville bill instead of being presented as a separate act was that it is feared early adjournment would preclude consideration of a separate bill while the Bonneville act is "must" legislation.

Solicitor Nathan R. Margold, of the interior department, in transmitting the text of the compromise to Representative Charles J. Colden, California member of the rivers and harbors committee, pointed out that the compromise was reached so hurriedly it had not been discussed with the budget bureau and he could not commit the interior department to approve it.