

A BILL

To provide for the construction, operation, and maintenance of the Bruces Eddy project on the North Fork of Clearwater River, Idaho, with participation for power by a licensee under the Federal Power Act.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the construction of the Bruces Eddy project on the North Fork of Clearwater River, Idaho, for flood control, navigation, power and other purposes, is hereby authorized as a part of the comprehensive plan for the Columbia Basin substantially in accordance with the recommendations of the Chief of Engineers contained in his report on the Snake River and tributaries dated April 25, 1955: Provided, That the power generating facilities and appurtenances may be provided by a licensee in accordance with the terms of the Federal Power Act and in accordance with this Act.

Sec. 2. The Bruces Eddy Dam and Reservoir shall be constructed, operated, and maintained by the Corps of Engineers to obtain the maximum benefits for flood control, navigation, power and other purposes in conjunction with other projects in the Columbia River Basin, substantially in accordance with the recommendations of the Chief of Engineers in his said report dated April 25, 1955. Said dam and reservoir shall be and remain the property of the United States.

Sec. 3. The power generating facilities and appurtenances of the Bruces Eddy project may be constructed by the licensee hereunder, or such

facilities may be constructed by the Corps of Engineers as agents for the licensee with funds advanced therefor by such licensee. Construction pursuant to this section shall be in accord with the provisions of a license to be issued by the Federal Power Commission in accordance with the Federal Power Act and this Act. The licensee shall own, operate, and maintain the power generating facilities and appurtenances at its own cost and expense subject to the provisions of this Act.

Sec. 4. The Licensee shall pay to the United States annually a fee for the utilization of water releases from the reservoir, operated as provided in Section 2 of this Act, and used for the generation of power at site. This fee shall be established by the Federal Power Commission upon the recommendation of the Chief of Engineers and shall be such as to provide for

(a) The return to the United States during the period of the license of the proportionate share of the cost of construction of the Bruces Eddy Dam and Reservoir as may be appropriately allocated to power development at the Bruces Eddy site (and having taken account of allocations to power benefits downstream of the Bruces Eddy site);

(b) The payment of interest on the costs allocated as provided in subsection (a) above, interest rate to be equivalent to the average interest rate for long term securities of the United States issued by the United States during the period of construction of the Bruces Eddy Dam;

(c) Such proportionate share of the cost of operation and maintenance of Bruces Eddy Dam and Reservoir as may be appropriately allocated to power development at the Bruces Eddy site (and having taken into account allocations to power benefits downstream of the Bruces Eddy site).

The allocation provided for in this section shall be made by such method as may be mutually agreed upon by the licensee and the Secretary of the Army and approved by the Federal Power Commission: Provided That said allocation shall be adjusted from time to time, and not less than once in every five years, as changed conditions in the Columbia River Basin affect the relationship as between at-site and downstream hydroelectric power benefits obtained from the Bruces Eddy Dam and Reservoir or affect the plan of operation of said dam and reservoir.

Sec. 5. The Chief of Engineers, under the direction of the Secretary of the Army, is authorized to enter into an agreement with the licensee providing for the operation of the Bruces Eddy project, in so far as such operation affects the production of power, so as to secure the maximum multiple benefits from the operation of the project as set out in Section 2 of this Act, for any advancement of funds by the licensee, and for other matters incident to the construction, operation, and maintenance of said project, in accordance with the provisions of this Act. Such agreement shall be for such period as may be consistent with the terms of the license issued by the Federal Power Commission, and any renewals or extensions thereof, and may be amended from time to time by mutual agreement.

Sec. 6. It is the policy of the Congress that once construction is started, utilizing funds provided by the licensee, the project shall be carried to completion in an expeditious and economical manner.

Sec. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Sec. 8. If no application for a license to construct the power facilities at the Bruces Eddy project is filed with the Federal Power Commission within two years from the date of approval of this Act, or within one year after the completion of the engineering planning of the project as determined by the Chief of Engineers, or if such application for a license is denied, or if construction is not commenced and carried out within such reasonable period of time as may be fixed by the Federal Power Commission, the entire Bruces Eddy project, including power generating facilities and appurtenances, shall be constructed, operated, and maintained by the Chief of Engineers under the supervision of the Secretary of the Army substantially in accordance with the recommendations of the Chief of Engineers in his said report dated April 25, 1955, without regard to the provisions of this Act relating to participation by a licensee.

That the power generating facilities and appurtenances may be provided by a licensee in accordance with the terms of the Federal Power Act and in accordance with this Act.

Sec. 2. The Bruces Eddy Dam and Reservoir shall be constructed, operated, and maintained by the Corps of Engineers to obtain the maximum benefits for flood control, navigation, power and other purposes in conjunction with other projects in the Columbia River Basin, substantially in accordance with the recommendations of the Chief of Engineers in his said report dated April 25, 1955. Said dam and reservoir shall be and remain the property of the United States.

Sec. 3. The power generating facilities and appurtenances of the Bruces Eddy project may be constructed by the licensee hereunder, or such