

APR 12 1956

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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, in Senate Document No. 51, 84th Congress, First Session: Provided: That the power generating facilities and appurtenances may be constructed, operated and maintained by a licensee under the provisions of the Federal Power Act and 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 Senate Document No. 51, 84th Congress, First Session. 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 an annual charge for the utilization of surplus water or water power from the reservoir, operated as provided in Section 2 of this Act, and used for the generation of power at site. This charge shall be fixed 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 period of the license of the proportionate share of the cost 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 the Federal Power Commission in collaboration with the Secretary of the Army: Provided that such allocation and such charges may be adjusted from time to time, and not more than once in every five-year period, by the Commission as conditions may require.

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 under the then existing laws and regulations 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, whichever first occurs, 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 pursuant to the provisions of the Federal Power Act, 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 Senate Document No. 51, 84th Congress, First Session, without regard to the provisions of this Act relating to participation by a licensee.