

Statehouse sidelights . . .

# Palisades power bill gets hearty response

Thurs Sept 27 1979

By BEN J. PLASTINO

Post-Register political editor

One of the most heartening developments to take place in both the Idaho Legislature and U.S. Congress is the solid support extended for enlarging Palisades power generation.

All four members of the Idaho congressional delegation have discarded partisan differences to give utmost support to this excellent project which involves the participation of federal, state and private enterprise.

Two key officials in the President Carter administration also have warmly supported the project, Secretary of Interior Cecil D. Andrus, former Idaho governor; and U.S. Bureau of Reclamation Commissioner R. Keith Higginson, former director of the Idaho Department of Water Resources.

With that kind of unified federal backing, the project should have comparatively easy sledding.

\*\*\*

U.S. Sen. Frank Church, D-Idaho, chairman of the subcommittee on energy, research and development, began hearings this week on this bill to authorize the state of Idaho to finance expansion of the plant.

Andrus said the method of finance is unique in the nation but that he has no objections to the state having control of the power distribution, rather than the federal government.

He observed the federal government has its hands full in financing and authorizing many other projects to supply much needed power.

The project will almost double the present installed capacity of 114 megawatts by adding two generators of 45 megawatts each, or total of 90 megawatts.

Church noted in his statement to the committee it is a unique federal-state partnership that holds the promise of getting the job done faster than simply authorizing the project to be constructed in a routine manner. The secretary of interior would design, construct, operate and maintain the power plant expansion. In turn the new power would be marketed within Idaho and the state bonds used to finance the project would be retired by the sale of this power.



Post-Register/Don Skitt

## Pushes Palisades

C. STEPHEN ALLRED, Boise, director of the Idaho Department of Water Resources, is spearheading a project to nearly double the generating capacity of Palisades Dam under a unique state sponsorship plan. Revenue bonds would finance the \$50 million project but all the power would be designated for use in Idaho. Allred was in Idaho Falls last week directing the monthly session of the Idaho Water Resource Board. The project is meeting favorable reception in Congress.

Sen. James A. McClure, R-Idaho, also is warmly supporting the project in the upper chamber.

In the House, both Reps. Steve Symms and George V. Hansen are taking similar action. Symms, a member of the

House Energy and Environment Subcommittee, spearheaded approval of an amendment to give Idaho the exclusive rights to the Palisades dam generated electricity.

Symms told the committee last week the amendment would not only save taxpayers \$42 million in federal tax dollars which would otherwise be spent to build this project but it would increase state involvement in financing and operating water projects.

\*\*\*

One of the sorry chapters in the bill took place in the State Senate which approved the measure 22-7, but four of the negative votes were from the four East Idaho Republicans.

U.S. Bureau of Reclamation to install the new generator.

As it turned out, the Bureau of Reclamation will install the generators and private utilities are barred from construction because it is a federal project.

The four said they wanted private free enterprise, rather than state and federal involvement but American Falls has demonstrated the problem of switching from a federal to a private project. It is a traditionally encased federal project.

C. Stephen Allred, director of the Department of Water Resources, estimates the generator project will cost some \$50 million. It will furnish 158 million kilowatts a year, enough power to supply 30,000 customers at comparatively low rates within Idaho. Use of the tax-free revenue bonds by the state will reduce interest rates about 2 percent and therefore lower cost of power by about 25 percent.

Two legislators who wielded a key hand to bring approval to the bill in the Legislature were Sens. Richard A. Egbert, D-Teton, and Rep. Linden Bateman, R-Idaho Falls. They took extra keen interest as the project is located within their district.