The Bureau of Reclamation has completed and sent to interested congressional committees its first financial and economic analysis under the provisions of the authorizing act of the Colorado River Storage Project, now under construction in the five-State area of the Upper Colorado River Basin, Secretary of the Interior Fred A. Seaton said today.

The "Financial and Economic Analysis" is intended to be used as a reference and guide by those having responsibilities in carrying out the authorized development in the Upper Colorado River Basin.

"With construction now underway on initial features of the project," said Commissioner of Reclamation W. A. Dexheimer, "this first analysis is based largely on planning estimates, with such refinements as are possible from detailed preconstruction estimates and from bids on early construction work. The analysis will be reviewed and revised periodically as additional investigations and construction progress and new data become available."

The report summarizes the extensive program for the development of water resources in the Upper Basin, reviews the physical features authorized for initial construction, and details the latest cost and repayment estimates.

The total construction cost of the four initial storage units, transmission division, and the 11 initial participating projects—including past and future investigations—is estimated at $992,174,000. Of the total, $677,382,000 represents the cost of the storage units and transmission features and $314,792,000 the cost of the participating projects.

In the benefit-cost analysis, the over-all project ratio is 1.3 to 1. Thus, the Colorado River Storage Project and participating projects combined have benefits well in excess of costs. The report also shows that each individual storage unit and participating project has benefits equal to or greater than the costs.
All revenues collected in the operation of the project will be credited to and disbursed from the Upper Colorado River Basin Fund, as provided in the authorizing act of April 11, 1956. Reimbursable costs allocated to irrigation, power, and municipal and industrial water use represent more than 99 percent of the basic cost of the project. All these costs will be repaid from project revenues within 50 years after completion of each project unit or separable feature. In addition the project revenues will return interest on the costs allocated to power and municipal and industrial water. Irrigation water users will repay irrigation costs in accordance with their estimated ability for 50 years, following completion of irrigation features and a 10-year development period . . . except as otherwise provided in separate authorizations for the Eden and Paonia participating projects. The balance of irrigation costs will be repaid from surplus power revenues.

Basically, the Colorado River Storage Project as outlined in the authorizing act includes four large storage units: Glen Canyon, Flaming Gorge, Navajo, and Curecanti. An initial group of 11 participating projects authorized include Paonia, Smith Fork, Florida, and Silt Projects in Colorado; the Pine River extension in Colorado and New Mexico; the Hammond Project in New Mexico; the Central Utah Project (initial phase) and Emery County Project in Utah; and the Seedskadee, La Barge, and Lyman Projects in Wyoming. The largely completed Eden Project in southwestern Wyoming was made a participant in the Basin Fund by the Congress. Combined, the 12 projects will provide irrigation water for about 385,000 acres.

Installed hydroelectric capacity at Glen Canyon Dam (now under construction in north-central Arizona) will be 900,000 kilowatts. At Flaming Gorge, in northeastern Utah, there will be an installed capacity of 108,000 kilowatts. No powerplant is included in the present plan for Navajo Dam in north-central New Mexico. The Curecanti unit in west-central Colorado, is anticipated to have an installed capacity of about 159,000 kilowatts, while the Central Utah Participating Project will have as much as 61,000 kilowatts of installed capacity.

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