

Asks Why Utilities Should Be Immune From Competition.

1-15-38.

To the Editor of the Gazette:
I quote from an editorial in your issue of January 5th.

"The affirming by the United States Supreme Court of the right of the PWA to make loans and grants for city and county power projects will be hard on established utility companies that have put their money into systems with which public systems may compete."

And why should utility companies be immune from competition? The drug store, the grocery store, and the drug store in every town and city must submit to competition. They are forced to plan their business and prices with competition to come from all sources—from those similarly situated as well as from chain stores backed and owned by vast capital.

Competition is for the public good. Monopoly is for the good of private capital, and private capital is always selfish, frequently taking the "pound of flesh."

In the very nature of things, utilities have monopolies. Private capital must be granted the use of streets and alleys by cities or small towns if they get water, lights or gas (all essential), so necessarily not many rights can be granted to that same purpose.

The utilities are owned and controlled by investment bankers and large investors. For political purposes they do pass some stocks and bonds to local people, and through these they fight for public sentiment to give them what they want. And it wins.

In 1919, no longer willing to allow towns and cities to continue having the regulation of utilities within their respective borders, these utilities had introduced and passed in the legislature of that year, Senate Bill No. 132. This bill took away from cities and towns the right to issue franchises and gave that right to a state commission composed of three men. It provided that utilities already holding franchises, might surrender them to this commission and receive in return an "indeterminate permit." Needless to say, all the wise surrendered their franchises and got the indeterminate permit. This done, in keeping with the preconceived plan, Bill No. 177 of the 1921 legislature was introduced and passed. It repealed the first bill and passed back to the cities and towns the right to grant franchises. But it was an empty shell. The indeterminate permit which the utilities held took away all limitations as to time and even the right of the city to grant a franchise to some competitor.

However, one escape is left open. It is for the city to buy the existing plant, or to build and operate one.

Some young man with vision, and I might add daring, could run for governor on a platform of publicly-owned utilities and be elected.

M. W. Greeson.

Prescott, Ark.

POWER SUPPLY IS REGULATED IN PINE BLUFF

Dispatching Done At Substation.

Gazette 1-23-38

Through the operations of the dispatching station of the Arkansas Power and Light Company, Pine Bluff keeps its finger on the pulse of industry and of domestic life throughout Arkansas and the tri-states area served by Harvey C. Couch electric power enterprises.

When the giant machines of Arkansas and Louisiana paper mills start rolling and call for more power, the call is sent to Pine Bluff. When thousands of homes are lighted in the evening, the increased consumption of electricity calls for immediate action at the Woodward substation of the Arkansas Power and Light Company just west of Pine Bluff. Every new industry connected to lines of the A. P. and L. and affiliated companies, every new rural electrification project served by the group, must look to Pine Bluff for its electric power requirements.

The Woodward substation is a transformer and switching station for the inter-connected electric power systems.

Power on Tap.

Power from all generating stations is controlled here. There is a dispatcher on duty every minute, and activities

of the different sections and communities can be judged by the increase or decrease of demand for electric power. Except in some industries, the use of electric service is intermittent. The customer may use all his connected load only at infrequent intervals, but the company must have the capacity and equipment to supply the customer when the button is pressed and without notice. Through the inter-connection of large generating stations power in any quantity at any time is assured.

The Arkansas Power & Light Company system interconnects the Pine Bluff, Carpenter, Remmel, Little Rock, Sterlington, El Dorado, Russellville and other stations of the company, the power stations of the Memphis Power & Light Company, Mississippi Power & Light Company, New Orleans Public Service Company, Southwestern Gas and Electric Company, and the Louisiana Power & Light Company for exchange of power as needs require. All power goes into the system. Plants and generators are started or stopped as demands of customers increase or decrease.

In addition to having the dispatching station which makes the city the electric power center of the tri-states area, Pine Bluff has the headquarters offices of the Arkansas Power and Light Company, with about 300 employees in the offices in the 11-story Simmons National Bank building, and at the substation. Mr. Couch worked with Jo Nichol, president of the bank, and others in bringing about construction of the modern office building which is A. P. and L. headquarters.

A. P. & L. Co.

To Observe

Anniversary

Gazette 4-3-38

This year is the twenty-fifth anniversary of the organization by Harvey Couch and associates of what has grown into the Arkansas Power and Light Company.

In observance the Gazette will issue at an early date a special section devoted to the history and development of Mr. Couch's company, and the development of the electrical industry in the territory served by it.

Mr. Couch and associates began their electrical developments by establishing the first steam-operated generating plant in Malvern and constructing the state's first transmission line from Malvern to Arkadelphia.

From that small beginning, Mr. Couch has developed a company that now serves 55 counties in Arkansas. Electric power has been made available to individuals, industries and farms. Development of business made possible by increased facilities offered by the Arkansas Power and Light Company has resulted in many new factories and other industrial plants being established in Arkansas, it is pointed out, with many thousands of dollars in new income being brought about.

The company employs about 1,200 persons and about 5,000 Arkansans are directly interested in the company through ownership of stock.

The Gazette's special section will be devoted entirely to a history of this development on the occasion of the power company's silver anniversary.

Power Line Over River To Cost \$60,000

Gazette 4-8-38

Construction on a \$60,000 transmission line across the Mississippi river at Leland Neck, west of Lake Village, has been started by the Arkansas Power and Light Company, Harvey C. Couch, president, told members of the Board of Directors at a meeting here yesterday.

"This 6,000-foot crossing," Mr. Couch said, "is only one of the many problems that continually confront us in our program of providing adequate power service. The line from Arkansas will tie into the Mississippi Power and Light Company system, affording facilities for an interchange of power generated by the Arkansas, Mississippi and Louisiana power companies, and the TVA."

The power company originally built a 1,485-foot span to cross a cutoff canal across Leland Neck. As the canal was widened, this was replaced by a 3,500-foot span. Gradually the canal has become the new channel for the river, making the 6,000-foot span necessary. Three wires, each more than half an inch in diameter, will be suspended between 560-foot towers weighing 130,000 pounds,

one on each side of the Mississippi. Mr. Couch said the 6,000-foot line will sag about 440 feet, equal to one and one-third city blocks, at its lowest point, which will be about 100 feet above the river's highest stage.

1,100 Miles Of Rural Power Lines in Use

Gazette 4-24-38

Pine Bluff, Ark., April 23 (AP).—A 1,100-mile web of electric lines to bring light and power to farm homes is nearing completion.

The lines, built by the Arkansas Power and Light Company since inauguration of its rural electrification program January 1, 1935, will serve more than 4,000 persons. Cost was estimated at \$65,000 of which the company spent more than \$352,000 and \$323,000 was obtained through sale of bonds of the company to the Rural Electrification Administration.

Harvey C. Couch, president of the utility company, mapped the program more than four years ago after a survey through the 55 Arkansas counties served by the company.

More than 100 projects in 50 counties were included in the aggregate of 1,100 miles of rural lines, company officials said.

U. S. Engineers to Build Top 30 Feet of Structure.

Included in the measure is a provision for the United States army engineers to participate up to \$2,000,000 in the construction of the upper 30 feet of the dam for flood control purposes. The total height of the dam will be between 150 and 170 feet. The exact height will be decided on immediately after approval of the bill. The power company will pay for the lower part of the dam, for the dam site, and the immense reservoir space that will be required.

This will be the first instance in which the government has participated jointly with a private utility in providing flood control. Some authorities see in the joint participation a possible precedent of co-operation between the government and private industry that may result in negotiations for other construction projects that will aid recovery.

Power Dam Not Absolutely Required at Present Time.

"While the power dam is not absolutely required at the present moment," Mr. Couch said in a statement at Washington, "we believe in the future of the state, and believe that its future

"In building the dam we will adhere to the policy of the Arkansas Power and Light Company of starting work promptly and pushing it energetically.

Mr. Couch said that 2,000 cars of freight will be used in construction of the dam. This will include 950,000 sacks of cement, 1,000 tons of steel and 7,000,000 feet of lumber. More than 25,000 acres will be cleared. This will afford direct employment to an average of 1,000 men a day during 200 working days a year. This is in addition to the employment that will be necessary in making supplies and equipment that will go into the structure.

Big New Lake to Cover 25,000 to 35,000 Acres.

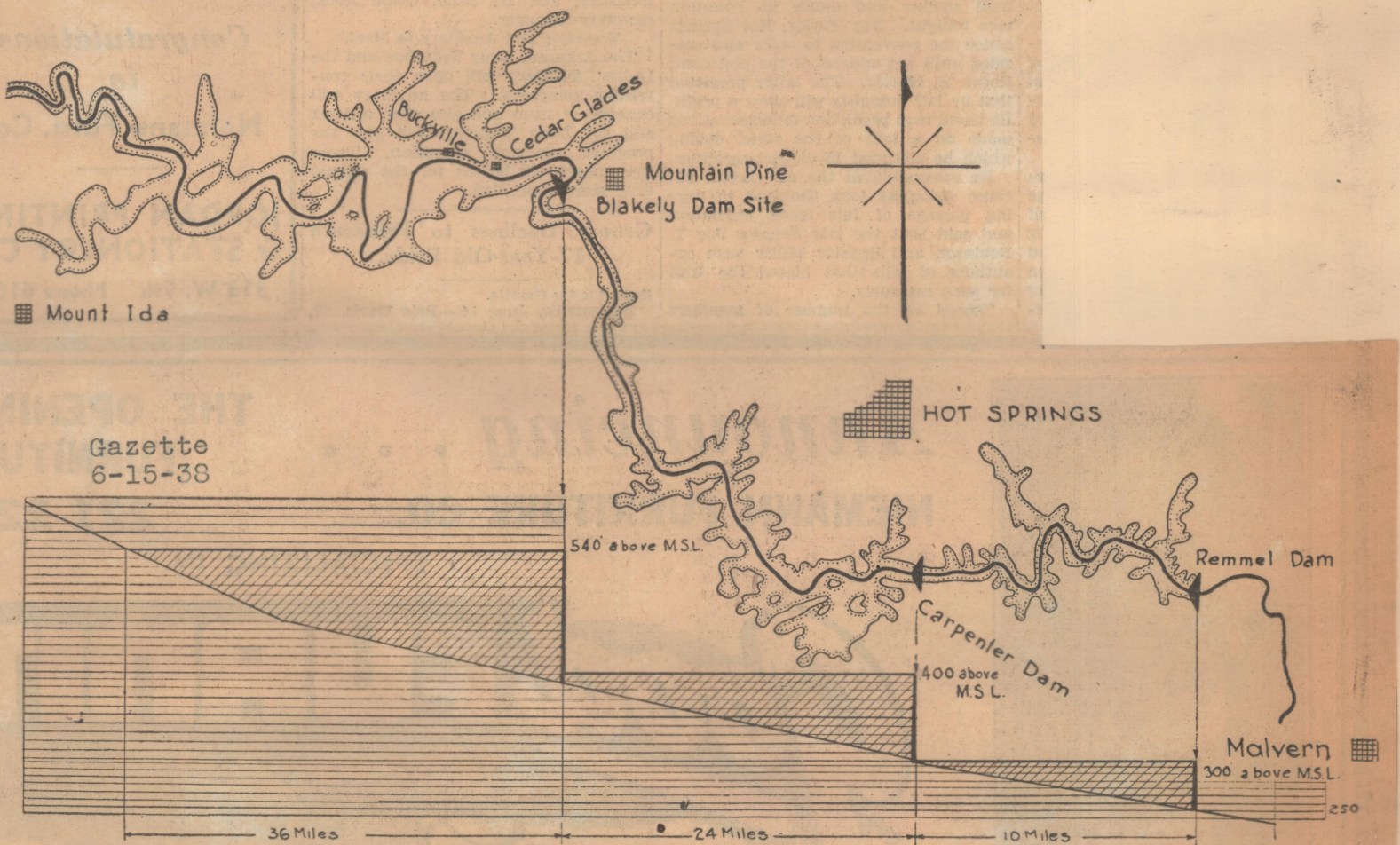
C. S. Lynch, chief engineer of the Arkansas Power and Light Company will have charge of the construction of the dam. He had charge of construction of the first two dams.

The power portion of the dam will flood some 500,000 acre-feet of ground, and the flood control portion will flood another 500,000 acre-feet. Between 25,000 and 35,000 acres will be covered by the huge lake that will be formed by the dam. This lake will be three times as large as Lakes Catherine, formed by Remmel dam, and Hamilton, formed by Carpenter dam.

Exact type of construction of the dam has not been decided on, but it will be built to provide for installation of generating equipment that will ultimately produce from 25,000 to 40,000

The double-purpose dam on the Ouachita river for whose construction Congress has passed the necessary legislation is not an engineering innovation. Several dams of this type have already been constructed—one at Pensacola, Fla.—and others are in the building or in the planning stage. But this will be the first time the federal government has co-operated with a private utility company in such a project. In effect the Arkansas Power and Light Company will build at its own expense the third dam on the Ouachita, which has long been included in its program. On top of this power dam the government will build a flood control dam. The power company will get reservoir storage for water to run turbines. The government will get storage room to hold back flood waters.

SITE OF HUGE NEW PROJECT



This map, prepared especially for the Gazette, shows a topographical and cross-section view of the Ouachita river development by the Arkansas Power and Light Company.

Remmel and Carpenter dams, below Hot Springs, already have been completed. The third dam, 14 miles northwest of Hot Springs, will be at Blakely mountain. The third dam will be between 150 and 170 feet high, the top 30 feet to provide flood control, the lower part for power generation. The United States Army Engineers will participate up to \$2,000,000 in the cost of the upper 30 feet of the dam.

THIRD OUACHITA RIVER DAM WILL BE HUGE AFFAIR

To Be From 150 To 170 Feet High.

6-15-38

Pine Bluff, June 14.—Presidential approval of the omnibus flood control bill will be the signal for the Arkansas Power and Light Company to begin construction of a \$6,000,000 combination flood control and power dam on the Ouachita river at Blakely mountain 14 miles northwest of Hot Springs.

This news was received joyfully at the general offices of the Arkansas Power and Light Company this after-

noon from Harvey C. Couch, president of the company, who is in Washington, where a joint Senate and House Conference Committee approved the bill last night.

administration will be progressive, and we want to do our part toward helping employment. "Our license for the dam did not require that we construct a combination flood control and power dam, but because we are interested in the future of the Ouachita valley and its development, we decided to embrace the flood control feature in the dam to be of assistance to this section.

"Our plan received the approval of Maj. Gen. J. L. Schley, chief of the United States army engineers, and we appreciate the co-operation that he and his department, and other agencies have shown in our efforts to get this project launched at once. Many government officials have aided greatly in working out this plan of a combination dam."

Construction Will Furnish Much Employment.

"Completion of this dam will culminate a development program on the Ouachita river launched about 15 years ago," Mr. Couch said. "It will require about three years to complete and will require about 4,500,000 man-hours of work. This means that the total number of men employed 200 working days a year will average 1,000 men a day, in addition to the labor that will be necessary in the production of material, supplies and machinery that goes into the project, and those employed in the transportation of these materials.

kilowatt hours of electricity.

Company Already Has Two Dams on River.

Two other dams have been erected on the Ouachita river by the Arkansas Power and Light company, which has pioneered power development in the state. They are Carpenter and Remmel dams, both below Hot Springs. The huge lake that will be created by the third will add greatly to the scenic beauties of Arkansas. Plans are being made for the development of much of the shoreline of the new reservoir. Many beautiful home sites, resort sites, boat landings, fishing landings, swimming beaches, and other recreation sites are being planned.

FOR FLOOD CONTROL AND FOR

Gazette 5-18-38
If a dam is to provide flood control the reservoir behind it must be kept as empty as practicable in order that it may store excess water. If it is to be used for power it must be kept as full as practicable. But a dam can furnish both flood control and power with a sort of two-story arrangement—a reservoir for power on the ground floor and a reservoir for flood control on the upper floor. (Actually of course one dam and one body of water.)

License For Wild Cat Bend Dam Rescinded

Gazette 7-1-38

Washington, June 30 (AP).—The Power Commission rescinded today an order authorizing the White River Power Company to build the Wild Cat bend hydroelectric project on the White river in Arkansas.

Acting Chairman Clyde L. Seavey said the action resulted from doubt that the project would be in line with the new flood control act authorizing a general flood control program, embracing power development in the White river basin.

He noted also that the House Flood Control Committee had asked the army engineers to determine if the Wild Cat project would be economically justified as a substitute for the Lone Rock and Norfolk dams already recommended by the War Department.

The commission announcement said: "Conditions have radically changed since this license was applied for nearly two years ago, and the commission's finding in its order of December 8, 1936, that the licensing of the Wild Cat bend project would not affect the development of any water resources for the public purposes which should be undertaken by the United States is not at this time justified by the record."

"The commission therefore determines that the public interest requires that this order of 1936 be rescinded pending the determination of the projects in the White river basin which will be undertaken by the United States."

Power Firm Directors See Dam Site

7-8-38

Special to the Gazette.

Hot Springs, July 7.—Harvey C. Couch led a party of directors and executives of the Arkansas Power and Light Company on a three-hour trip of inspection of the site and part of the area that will be inundated by the proposed multiple flood control and power dam to be built at the Blakely mountain site with the power company and federal government co-operating today.

Chief Engineer C. S. Lynch, who will be in charge of construction, had stretched a wire from the hills on either side of the river at the dam site and attached small flags so that the power company directors could visualize the height of the 170-foot dam, and the length, which will be approximately 1,000 feet.

View Area to Be Inundated.

The trip over part of the 25,000 acres which will form the flood control-power reservoir, gave the directors an opportunity to see part of the lands to be inundated. Many houses, stores and farms are located on the acreage, practically all of which has been acquired by the power company.

At a meeting of the directors at Couchwood, on Lake Catherine, Mr. Couch told of the procedure which was followed by the authorization of this multiple use dam. This is the first time the government has participated with a power company in such an undertaking.

Mr. Couch said that for the government to build a reservoir for 500,000 acre feet of storage independently would cost around \$2,500,000, but participating with the A. P. and L. under the authority of Congress, the flood storage will cost the government not more than \$2,000,000. The power company's part will be around \$4,000,000.

Lake to Be 36 Miles Long.

The lake to be created will be more than 36 miles long and five miles wide at one point. Mr. Couch said that with dams the government possibly will build on the Caddo and Little Missouri rivers, this will give complete flood protection on the Ouachita possibly as far south as the mouth of the Saline.

Dine at Couchwood.

Members of the board and others were guests of Mr. Couch at a fish dinner tonight. Directors at the meeting were W. E. B. Baker, L. Garrett, J. L. Longino, Pinchback Taylor and Frank M. Wilkes. Pine Bluff: Laurin Davis, Waldo; R. H. Dickenhorst, Morrilton;

R. E. Ritchie, Little Rock; C. F. Sturis, Arkadelphia; Sam J. Wilson, Montrose, and Dr. J. M. Workman, Fordyce. J. O. E. Beck, Hughes; H. Grady Manning and Roy L. Thompson, Little Rock, were unable to attend. Q. C. Shores, Pine Bluff, assistant to the president, was among others taking part.

Blakely Dam

Approved

Formally

Gazette

The \$6,000,000 Blakely mountain dam on the Ouachita river north of Hot Springs was brought a step nearer the construction stage by announcement in Washington from the chief of army engineers that yesterday he had recommended a federal contribution of \$2,000,000 for the flood control and power development.

Secretary Woodring forwarded the recommendation of Maj. Gen. Julian L. Schley, engineer chief, to Congress.

The dam is a project proposed by the Arkansas Power and Light Company for power generation and officials of the utility firm said they would begin construction of their part of the job—devoted to power—as soon as army engineers of the Vicksburg, Miss., office complete plans for the flood control phase of the project which will be federally financed.

General Schley promised Arkansas members of Congress at the last session that he would recommend federal participation in the undertaking and his action today placed the recommendation formally in the records.

His report recommended the federal contribution subject to the provision that the dam provide a pool with maximum elevation of 161 feet above the stream bed and provide 525,000-acre feet of storage capacity reserved for flood control only.

Final Briefs

Submitted on Blakely Dam

3-20-40

Power Company Opposes Resubmission of Plan to Congress.

Washington, (AP).—The Arkansas Power and Light Company today told the Federal Power Commission that there was no necessity for resubmitting to Congress for resubmission of the Blakely dam project on the Ouachita river, as suggested by counsel for the commission.

Commission attorneys had proposed in briefs filed February 1 that the whole matter relating to the Blakely project be returned to Congress with a recommendation that a multiple purpose development along the lines of that in the Tennessee valley, be authorized for construction by some public agency. Both the company and the commission submitted final briefs today. Commission attorneys reiterated their proposal and questioned the company's contention that it should be permitted to complete the Blakely project.

Seek License Extension.

The company is seeking an extension of its license to construct the project. Under the license, the project was to have been completed December 31, 1939. The commission held that company's figures regarding future power needs in the region failed to reflect the situation, and argued that additional capacity probably would be needed in 1943, instead of 1945 as estimated by company engineers.

"Considering the length of time required to construct and complete the Blakely development, such a relatively close date may well constitute a need for immediate commencement of that construction in order to meet the need when it materializes," said the commission brief. The commission counsel challenged the company's contention that it had already engaged in construction operations at Blakely asserting that work done so far on the site was merely preliminary.

It was also charged that the company by allegedly delaying start of construction, had "afiled" to regard the necessity of flood control in the Ouachita river basin.

The project is unique among multiple purposes power developments in that the company proposes to pay for the power plant and storage pool, while the Federal government has authorized expenditure of an additional \$2,000,000 to put in flood control storage space.

LAKES CREATED BY REMMEL, CARPENTER DAMS PROVIDE PLAYGROUND FOR ARKANSAS

GAZETTE 6-30-40

Construction by the Arkansas Power and Light Company of the Remmel and Carpenter hydro-electric dams on the Ouachita river, creating Lake Catherine and Lake Hamilton, provided many additional recreational facilities for Arkansas, as well as industrial and commercial opportunities.

From strictly a pleasure resort, the lakes have made Hot Springs an all-year 'round playground, bringing to this state additional thousands who have been attracted by the fishing, boating, swimming and other recreational opportunities.

Construction of the dams themselves at a cost of more than \$8,500,000 gave employment to many thousands of persons and greatly improved the valuation of the territory embraced in their districts.

With the creation of the lakes there came a wave of building along their shores of homes and lodges that brought millions of dollars in additional wages and investment. Many industries, such as boat building, and others have sprung up as a result of the lakes.

Catering to tourists, to fishermen and other sportsmen are hundreds of persons who have found new means of profitable occupations by reasons of these lakes.

Remmel, the first of the hydro-electric stations, was started in May, 1923, and placed in operation in December, 1924. Seventy-five feet high and 900 feet long at its apex, Remmel is an Ambursen patented hollow type dam, containing 30,000 cubic yards of concrete. It created a lake 10 miles long and containing 3,000 acres. The dam was named for the late Col. H. L. Remmel. The lake was named for Miss Catherine Couch, [Mrs. Pratt Remmel] daughter of Mr. and Mrs. Harvey Couch.

Carpenter dam, creating a lake of 7,150 acres, was started in February, 1929, and put into operation for electricity generation on January 1, 1932. It contains 187,000 barrels of cement. It is 115 feet high and 1,164.5 feet long at its apex. The dam was named for the late Capt. Flave Carpenter of Arkadelphia, and the lake it created was named Lake Hamilton for C. Hamilton Moses of Little Rock.

A third dam and lake 24 miles above Carpenter has been projected for construction as soon as it is economically feasible. The present dams and the

Power Project Is Approved

DEMOCRAT 6-25-40
Narrows Reservoir, Plant
in Arkansas, to Cost
\$6,800,000.

Washington (AP).—In reports to Congress today Major General Julian L. Schay, chief of army engineers, recommended the following projects:

Construction of the Narrows reservoir and power plant, improvement of channels of the Little Missouri river, Terre Noire creek and Ozan creek, and repairing of levees of Terre Noire creek, all in Arkansas, at a first cost to the United States of \$6,800,000, with \$30,000 annually for maintenance, subject to local co-operation. The streams mentioned are in the northern part of Hempstead county.

Huge Steam Power Plant Proposed

Gazette 7-23-40

A proposal to construct a dam on Big Mulberry creek and erect a large steam plant to generate electricity near Cass, Franklin county, to utilize western Arkansas coal and surplus labor has been presented to the Federal Power Commission.

Dr. George C. Branner, state geologist, returned to his office from Washington yesterday with news of the project. He is one of three state officials stationed at the state Agri-

projected dam will provide storage capacity sufficient to take care of the normal flowage from the entire drainage areas of the Ouachita above Remmel. This will be a great help toward controlling floods, and aiding navigation below the dams.

The lakes offer excellent fishing for practically all types of and species of the finny tribes. Regular guides are available for fishing trips, and all kinds of live bait can be found at the many fishing spots.

Swimming is a popular sport in the lakes, too.

Because of the reasonable rates offered, the resort cottages along the lakes do a thriving business in all months of the year. All modern conveniences are to be found at these places.

Construction of the dams by Harvey Couch, president of the Arkansas Power and Light Company, and his associates, came after many years of study and planning. For many centuries the Ouachita river has carried the waters of its drainage area—many times in raging torrents that flooded the lowlands and sometimes in a bare trickle that barely floated a small boat—downstream. The river was an unused resource of little benefit to anyone, and actually a menace to some.

As far back as the Nineties, government engineers recommended dams on the stream to check its waters for flood control but they found the power that could be developed too insignificant to warrant the government making the expenditures that were necessary for power development. So nothing was done until Harvey Couch undertook and carried out, with his associates, the plans for harnessing the Ouachita.

Many other benefits have come to the Ouachita river valley from the construction of the dams. Taxes paid by the power company were greatly increased because of these additional betterments, and much of the money went to the areas adjacent to the dams. Schools, municipalities and others benefited from this. More than \$75,000 a year in taxes is paid in the immediate vicinity of the dams.

Probably no other one project has contributed as much to the development of Arkansas's recreational advantages as these two dams.

And as a result the sportsman and sportswoman of today can find anything he or she desires on or adjacent to Lake Catherine and Lake Hamilton.

cultural and Industrial Commission's branch office at Washington, where business emanating from the national defense program is being sought.

An effort was made two years ago to obtain a WPA project for construction of a dam and creation of a proposed Cass lake for recreation purposes. Under the new program, the impounded water would be used for condensation in the steam plant.

The Cass lake proposal, Dr. Branner said, was revived by Congressman D. D. Terry of Little Rock as an additional outlet for the state's coal. The need for increased production of power was based on the statement that about half of the electricity consumed in Arkansas is imported from other states.

Dr. Branner said Engineer-Director L. A. Henry of the state Planning Board, also stationed at the Washington office, provided information for Congressman Terry's use in support of the project.

Achievements of Washington Office Outlined.

The office was established at Washington about a month ago. Other achievements, Dr. Branner said, included:

1. Compilation of a plan to develop a statewide airport system for use in national defense. The project was prepared through the aid of the state Planning Board. It has been "taken up" with the Civil Aeronautics Authority.
2. Successful bidders on government contracts have been interviewed in an effort to increase the demand for Arkansas's raw materials. Contractors have been referred to industries in the state.

Elated at Prospect of Cheap Natural Gas.

Dr. Branner said Congressman Terry was highly elated at the prospect of cheap, competitive natural gas in the state as a result of an Arkansas Supreme Court ruling that upheld the right of the Louisiana-Nevada Trans-

Company of Oklahoma to compete in southwest Arkansas with the Arkansas Louisiana Gas Company.

"Cheap gas will have a fundamental effect upon the allocation of fuel-consuming industries," he said. "We are preparing a study of the industries which will be affected by lower gas rates."

Increased Power Production For Dams Recommended.

Gazette 8-27-40

Increased power production at proposed dams at Bull Shoals and Table Rock on the White river in Missouri was suggested to United States Army Engineers by C. S. Christian, engineer of the state Flood Control Commission, yesterday. He said the Federal Power Commission was expected to recommend increased power development for the projects.

Mr. Christian said the Table Rock dam, under present plans, would utilize 485,000 acre feet of flood control and 780,000 for power and that Bull Shoals would use 2,155,000 acre feet for flood control and 144,000 for power. He said by allocating more of the flood storage to six other dams on tributaries of the White river more power could be produced at the two main stem reservoirs.

Holiday In Baxter For Dam Meeting

Special to the Gazette. 9-1-40

Mountain Home, Aug. 31.—Mountain Home, Cotter, Norfolk and Gassville, the four principal towns in Baxter county, will declare a holiday Friday and practically all the citizens will go to Harrison to attend the hearing on the Norfolk dam, which will be held by the United States engineers. The question to be discussed will be the advisability of installing power in the dam.

During the last few years the people of the White river valley have become aware of the great power values in the White river and its tributaries, the Northfork and Buffalo, and are demanding that these dams be constructed as dual dams, which would control the floods in both the upper and lower valley, and at the same time produce an enormous amount of power that could be used in the development of the mineral and other resources in the Arkansas and Missouri Ozarks. One reason these resources have not been developed is that there is no commercial fuel in the White river valley. Hydroelectric power is the only solution of the problem.

Because of the strategic minerals in the White river valley, the construction of these dams is of vast importance to the national defense plan. Manganese is stressed by government authorities as being the most important war mineral. The Batesville-Cushman manganese field contains millions of tons of this ore, the big tonnage of which falls in the low grade class. During the last few years experiments have been made on beneficiating this low grade ore and it has been proven that it can be beneficiated economically. Electricity can be applied to every process—as a heat unit for calcining, as a heat unit for smelting, as power for concentrating, and as the medium in the electrolytic process. Representatives of the Bureau of Mines now are making tests of the carbonate of manganese ore to determine the potential tonnage in the field and the average mineral content.

Lead, Zinc Need Electricity. North Arkansas has the only virgin zinc and lead field left in the United States. The field has produced approximately 80,000 tons of zinc ores, but because of its unlimited extent, its value has only been scratched. Lead production has been much lighter than zinc, largely because the lead deposits are found mostly in the outlying districts farther from railroad points. Most of the disadvantages of mining in these outlying dis-

tricts have been overcome by the construction of good roads. Zinc reserves in the United States are becoming very limited and for this reason, the development of the north Arkansas field is important both from a defense and industrial angle.

In addition to lead, zinc and manganese, the state mineral survey, which has been working for the last two years, has uncovered some large deposits of iron and many other non-metallic minerals of great industrial importance.

Among the most important non-metallic minerals in the White river valley are phosphates, glass sand and marbles. Electricity can be applied to the production of all these, and to the development of the timber and other resources.

Also Essential to Tourist Trade.

Dual dams are also essential to the development of the tourist business in the Arkansas and Missouri Ozarks. This section, because of its beautiful mountains, its primitive forests, and its clear water streams is a natural vacation country. If flood control dams are built, the pools behind the dams in the summer months, the tourist season, will be very low and not at all adapted to recreation. If dual dams are built, a high power level will have to be maintained, and the lakes will be much larger and much more attractive to summer visitors.

Another strong argument for dual dams is that the power developed on the dams will liquidate them in a few years. If flood control dams are built, the government will receive no financial return.

Ellis Finds Wide Favor For Dam

9-5-40

Special to the Gazette.

Bentonville, Sept. 4.—Congressman Clyde T. Ellis, who has been a leader in efforts to obtain hydroelectric dams in the White river basin, said here today that he is happy over the prospects for the hearing at Harrison Friday, called by Col. Stanley L. Scott, district United States engineer in charge of the construction of Norfolk dam, to determine whether power facilities will be installed at this time.

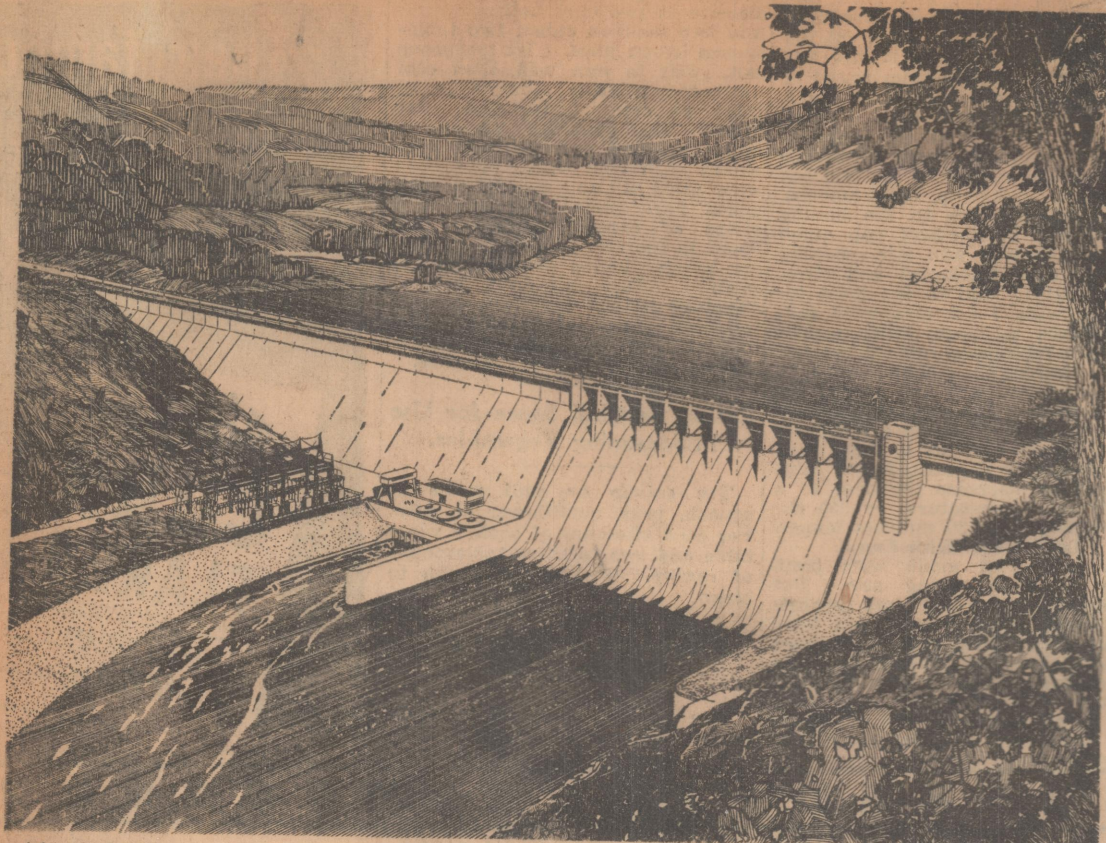
"Apparently every section of north Arkansas and south Missouri will be represented," Congressman Ellis said. "Baxter county has declared a holiday and is going en masse. As far as I know, everybody wants the power. It would cut our power rates here in Bentonville and the rates to customers on our REA co-operatives in half. That would help give us an even break on new industries too."

"There would be no doubt about our getting some of the new defense industries if we had an abundance of cheap power. The plan call for an initial installation for 48,000 kilowatts or 414,720,000 kwh of prime or constant power."

Says Wild Life Would Be Helped.

"J. G. Barnett, acting director of the Extension Service, has advised me that he has authorized all county agents in north Arkansas to attend the Harrison hearing. The Federal Power Commission is sending a representative. The state Flood Control Commission, the State Corporation Commission and the state Game and Fish Commission, will be there. All these agencies are favorable to the plan. A little group of so-called wild life folks from Missouri will be present to oppose it, but all wild life organizations of Arkansas are for it, and it will add many times to the wild life of that region, fish as well as game."

PROPOSED DAM



Special to the Gazette.
Harrison, Sept. 5.—Above is an artist's conception, based on preliminary plans, of the proposed Norfolk Dam.

SPIRITED FIGHT IS TO BE MADE FOR POWER DAM

Gazette 9-6-40

Speedy Installation Sought.

By JOHN L. FLETCHER.

(Staff Correspondent of the Gazette.)
Harrison, Sept. 5.—Immediate installation of full hydro-electric facilities at Norfolk dam in Baxter county at an over-all cost of \$27,000,000 will be recommended by the state Flood Control Commission at a hearing before United States army engineers here tomorrow.

Taking advantage of the occasion, which has created considerable excitement in this section of the Ozarks, the commission met tonight to adopt a resolution urging the government to add power production equipment to the dam which already has been approved for flood control purposes.

The commission also:
1. Formulated legislative proposals to present to the legislature in January, which included a request for an increase in annual appropriations from \$12,000 to \$50,000 a year.

2. Discussed possibility of a merger of certain state departments and commissions, including the Flood Control Commission, the Game and Fish Commission, Parks Commission and Utilities Commission, into a proposed state Conservation Commission.
3. Proposed adoption of a comprehensive irrigation law to govern development of a cheap water supply for the Grand Prairie rice district.

All Agree That Now Is the Time for Action.

Chairman R. E. Overman of the commission explained that the group will enter tomorrow's hearing as "the voice of the seven congressional districts" and request that a dam 123 feet high be constructed, instead of the authorized 90-foot dam, with a prime power production capacity of 108,000,000 kilowatt hours annually.

Federal funds are available for construction of a flood control project. All interested agencies, including army engineers, the commission and Arkansas and Missouri state departments are agreed that now is the time to add hydro-electric facilities if they are to be obtained within a reasonable period.

These officials, state and federal, know they cannot hope to obtain federal funds for this purpose unless it is accepted as a project nec-

essary to the national defense. That is the only appeal open now to those who have fought for development of the White river valley. They agree that national defense in the construction of a dam means production of hydro-electric power.

"It is time that someone broke down and admitted that Arkansas and this area of the Ozarks have a shortage of power," Mr. Overman said.

It was evident that the commission believed the old policy of talking loudly about flood control when cheap power production was uppermost in its mind should be changed.

"Those who have fostered the great project have put the soft pedal on the power angle long enough," Chairman Overman said, and others agreed. "The national defense program needs cheap electricity and we can come out in the open with it now."

Preparing his testimony for tomorrow, Mr. Overman stressed a point that has been discussed in many portions of the nation since the start of the Tennessee Valley Authority program.

"Why should the government build so many dams in the Tennessee valley?" he asked. "The TVA area is receiving tremendous benefits, and Arkansas taxpayers are paying their share of the cost. It is just as opportune to construct hydro-electric dams in the Ozarks."

Commissioners recalled that they recommended the installation of hydro-electric facilities at Norfolk dam when army engineers held a public hearing here in January, 1939. Congress authorized only a flood control project later.

"It was all we could get at the time, so we took it gladly," Chairman Overman said. "But the national defense program should result in the fulfillment of our original proposal."

Congressman Ellis Will Offer Testimony Today.
Congressman Clyde T. Ellis of Bentonville, who has pushed the White river development plan through Congress to its present stage, attended the meeting which was held at the home of Layton Coffman, a commission member. Mr. Ellis said little. He will testify before the army engineers tomorrow.

Irrigation Plan May Be Submitted to Legislature.

Charles S. Christian, commission engineer, has completed a proposed irrigation measure after a year's work. This plan may be offered to the 1941 legislature.

Terms of Several Commissioners Will Expire.

The commissioners did not discuss the possible future of the agency after the change in state administrations in January, but several of their terms will have expired by that time. Among those in this category are Chairman Overman and W. M. Greeson of Prescott. The commissioners serve without pay, although their expenses are paid on trips such as this.

Other commissioners present, all of whom were guests of Mr. Coffman at dinner tonight, were T. L.

Gerin of Fort Smith, Lamar Williamson of Monticello and John P. Morrow of Batesville.

Colonel Scott to Preside At Hearing Today.

Lieut. Col. Stanley L. Scott of Little Rock, acting director of the Division Engineers, will preside at tomorrow's hearing, which will have as its purpose a determination of the public's attitude toward installation of power facilities at Norfolk dam "at this time."

State Utilities Commissioners Thomas Fitzhugh and H. W. Blalock are expected to attend.

Development Of Power at Norfolk Urged

Democrat 9-7-40

Arkansans Want Congress to Provide Funds for Project.

By CARL OLSSON.
(Democrat Staff Writer.)

Harrison—Unanimous adoption of a resolution by County Judge R. M. Ruthven of Baxter county asking congressional authorization for installation of electric power facilities in the proposed Norfolk dam climaxed a one-day hearing here yesterday before Lieut. Col. Stanley L. Scott, U. S. army, Little Rock district engineer. The hearing had been called to obtain views of the people on the proposal to install power facilities in the dam, now authorized only for flood control purposes.

The dam is to be built near Norfolk in the southern part of Baxter county on the North Fork river, about five miles from its junction with White river.

Many persons of the estimated 600 which attended the hearing presented facts and figures for the record for review by army engineers before reporting on a resolution by the committee on flood control of the House of Representatives on the question of installing power facilities.

Sen. John E. Miller of Searcy and Congressman Clyde T. Ellis of Bentonville were the first speakers, leading the way for many public officials, business men and others who told of the need for power facilities for national defense, industrial and agricultural development of benefits from conservation and recreation facilities that would be provided by the dam.

Seek Early Action.
The consensus of the speakers was that power facilities should be authorized immediately, several persons declaring similar facilities also should be in other dams authorized in the White river valley.

The resolution by Judge Ruthven, who headed a large delegation from Baxter county, proposed power facilities "or nothing" for the dam. The wording was changed after sharp protests of persons living in the lowlands below the proposed dam where flood protection would be provided. The resolution as adopted did not contain the words "or nothing" and called upon Congress to authorize installation of

power generating equipment. Thomas Fitzhugh, chairman of the state utilities commission, and Dr. H. W. Blalock, member of the commission, told of the importation of electric current into Arkansas, the latter declaring that 62 per cent of the power used in the state last year was imported.

Overman Endorses Power Plan.
Endorsements to the proposal for power facilities were given by R. E. Overman, Little Rock, chairman, and C. S. Christian, engineer for the Arkansas flood control commission; E. A. Mays, member of the Missouri conservation commission; Bill Wilson, secretary of the Arkansas Wildlife Federation; Dr. S. C. Dellinger, professor of zoology at the University of Arkansas, adviser to the Arkansas Game and Fish Commission; Rex Allman, Forsythe, Mo., representing the White River Booster League; L. A. Henry, engineer-director of the state planning board; J. C. Murray, traffic manager of the Little Rock Chamber of Commerce and secretary of its flood control committee; Tom Shiras, Mountain Home publisher; Dene Coleman, Batesville attorney, and others.

Mr. Murray told of hydro-electric development by the federal government in the Tennessee valley and in the western and northwestern sections of the country, pointing out that "unless the natural resources provided by the White river are developed, Arkansas and the White river valley will not progress economically, but to the contrary the lack of that development will result in a handicap to the area which it may be impossible to overcome."

Would Check Migration.
Migration of Arkansas people to other sections of the country was cited by Mr. Murray because of development of water power, flood protection, irrigation and consequent industrial development.

"The census of 1930 shows that 676,000 persons born in Arkansas were living elsewhere and only 492,000 persons living in Arkansas were born in other states. Therefore, we had a migration loss of about 184,000," he said.

"The vision of green pastures elsewhere will act as a detriment to our development, unless the natural resources available through power development, flood control and other water usages of the White river are fully developed. This development will go a long way toward treating our territory in fairness compared with the development in other parts of the United States," he said.

New Industrial Processes Said To Depend on Cheap Power.

Gazette 9-8-40
Development of 17 new "manufacturing processes" to utilize Arkansas raw products "soon after the necessary quantity of cheap electrical energy was made available" was predicted by E. Smith Reed, industrial engineer of the Agricultural and Industrial Commission. He said a "shortage of cheap power" had been one of the chief factors retarding the "normal industrial development of the state."

He said development of the hydro-electric power available in the White river basin would "alleviate the shortage of power that now exists." When this "power is developed and made available it will be possible to develop and process many of the natural resources located within the state," he said. "Without this development, an outstanding obstacle to the industrial development of Arkansas will remain."

The construction of two large power dams on the White river has been recommended by the United States engineers.

Mr. Reed said the new processes involve production of cellulose, phosphoric acid, silicon carbide, fused aluminum oxide, calcium carbide, electrolytic zinc, electrolytic manganese, electrolytic ingot iron, aluminum oxide, metallic ammonium, cement, oxygen and hydrogen.

Henry Says Power Supply Vital to Development.

Gazette 9-8-40
Engineer-Director L. A. Henry of the state Planning Board appeared at a hearing conducted by United States Army Engineers at Harrison Friday to endorse a proposal that hydro-electric facilities be installed at once in Norfolk dam on the North Fork river in Baxter county.

He disclosed this information: He has been assigned to the state's office in Washington, where he and other officials have been endeavoring to obtain contracts for Arkansas under the national defense program.

"In these negotiations we are invariably faced with the need of power already installed at a price cheap enough for industry to use," he said. "I have found that quantity and price of power outweigh almost every other factor in determining the location of an industrial site."

"Arkansas is favored with practically every requirement for eco-

nomics manufacture of aluminum, ferro-manganese, zinc, cellulose and other basic materials needed for national defense, except power already available for operating the plants.

"Arkansas's location with respect to seaboard and international boundaries is more favorable than that of any other state having similar resources to offer. With this remote location the state has all forms of transportation—rail, water, highway and air, with direct connections with other manufacturing centers.

"An example of the need for a large block of power can best be presented in the instance of recent negotiations looking to the manufacture of aluminum in Arkansas. The smallest economic operation of an aluminum plant, assumed at 10,000 tons annually, would require about 220,000,000 kilowatt hours of electricity each year. That amount is in excess of the firm power to be provided by Norfolk dam.

"If this dam should be completed in the shortest feasible time it is quite possible that it would be a resulting factor in a favorable decision for the location of the plant mentioned. Similarly, other plants requiring smaller loads of power are influenced in their location by the fact of cheaper and dependable power not now extant in Arkansas."

Population Decreases Noted.
Another factor which was given little prominence at the hearing was the probable effect of flood control on the economy and population of counties situated in the White river valley.

Populations of counties surrounding the proposed dam site have, with few exceptions, decreased each decade since 1900, due to the decrease in agricultural production on the eroding farms and to depletion of timber stands which supply raw material for wood-making industries.

View of Mining Official.
Dr. George C. Branner, state geologist, filed with the army engineers a copy of a letter he received from Lawrence Litchfield Jr., vice president of the Republic Mining and Manufacturing Company, New York, which operates at Bauxite. Mr. Litchfield said:

"Should large blocks of very cheap power be made available in Arkansas, such a condition would receive most careful investigation by us; but our feeling is that long before the cost of said power to the consumer would descend to the low levels required by the aluminum industry, other consumers of power with higher cost tolerances would be standing in line ahead of us."

"What I am trying to say is that the aluminum industry requires such very cheap power that there should be no dearth of market for such power outside of the aluminum industry, should your state develop power within its borders of that kind."

"We have no expansion program of any specific nature in mind at the present time [February 2, 1939], but should developments in the aluminum industry dictate such expansion, and should at that time large blocks of electric power be made available in Arkansas at costs within the requirements of the aluminum industry, we would, of course, give very serious consideration to the Arkansas situation."

Gas Reserves Offered to Metal Concern

Democrat 9-19-40

Offers of two oil companies to place huge gas reserves in Arkansas at the disposal of the Reynolds Metals Company, which is considering construction of a large bauxite plant in the South, are being made in Washington, D. C., this week, state Geologist George C. Branner said this morning.

Dr. Branner returned last night from Washington where he and other state officials are representing Arkansas industry in connection with the national defense program. H. K. Thacker, executive-director of the state Agricultural and Industrial Commission, and L. A. Henry, engineer-director of the state Planning Board, remained in Washington to advance the work.

The geologist said that T. R. Goebel, Dallas, Tex., of the Shell Oil Company, and a representative of the Atlantic Refining Company of Dallas, were conferring with H. R. Reynolds, head of the metals company.

The Shell company owns huge natural gas reserves in the Magnolia field, and the Atlantic group have reserves in the McKamie field in LaFayette county. Dr. Branner said gas deposits were plentiful in both fields.

Both companies are seeking to have the Reynolds company locate in Arkansas, possibly at Camden or

Benton, and use their gas for generating steam to operate electric turbines. Bauxite is processed under intense heat in electric ovens.

F. M. Wilkes, Pine Bluff, operating vice president of the Arkansas Power and Light Company, is also representing his group at the conferences. Should the metals company locate in Arkansas it would be necessary to establish an auxiliary power plant which the power and light firm might be interested in leasing.

'Sour Gas' Offered As Cheap Fuel

Gazette 9-20-40

Substantial operating economies could be realized by an aluminum manufacturing plant located in south Arkansas, because of the low price of "sour gas" in the fields at Magnolia and at McKamie, LaFayette county, petroleum men have informed R. S. Reynolds, president of the Reynolds Metals Company, Richmond, Va. The company is considering sites in Arkansas, Alabama and South Carolina for establishment of an aluminum plant.

The "sour gas" could be used to generate electric power at a cost equal or less than the cost of power sold by the Tennessee Valley Authority from its hydro-electric plants in the Tennessee Valley, engineers believe. A huge generating plant at Sterlington, La., which has the Arkansas Power and Light Company for one of its customers, now uses Louisiana natural gas for fuel.

Dr. Branner Reports.
Dr. George C. Branner, state geologist who returned from Washington yesterday, said T. R. Goebel of Houston, Tex., representing the Shell Oil Company, and L. A. Sunkel of Dallas, Tex., of the Atlantic Refining Company, recently conferred with Mr. Reynolds at the request of Arkansas's Washington office supervised by the Arkansas Agricultural and Industrial Commission.

Frank M. Wilkes of Pine Bluff, vice president of the Arkansas Power and Light Company, went to Washington from New York to join the conferees. The power company would co-ordinate its system with any new generating equipment installed, it was said.

Shell owns gas reserves in the Magnolia field, and Atlantic has interests at McKamie. The companies are interested in the location of an aluminum plant, probably at Camden or Benton, to process bauxite. W. C. McClure, Camden Chamber of Commerce secretary, and A. Roy Allen, general manager of the Camden News, submitted data.

Huge Gas Supply.
Governor Bailey said state conservationists estimate "trillions" of cubic feet of "sour gas" are available in south Arkansas, the supply being considered inexhaustible.

TVA Signs Contract to Supply Power to Plant.

Gazette 10-6-40
Knoxville, Tenn., Oct. 5 (AP).—The Tennessee Valley Authority announced today it had contracted to supply 60,000 kilowatts of electricity to the Reynolds Metals Company for manufacturing aluminum at a plant to be constructed near Wilson dam in Alabama.

The power will come from the Authority's Cherokee dam which is under construction on the Holston river, a new steam electric generating plant at Watts Bar, and by installation of additional generators at Wilson and Pickwick Landing dams.

The TVA's \$65,800,000 emergency program for stepping up its power production will add 300,000 kilowatts of installed capacity to the TVA system in addition to normal expansion which will bring the total installed capacity to more than 1,500,000 kilowatts by 1942.

"Under the terms of the contract," TVA said, "the Authority will provide the Reynolds Metals Company with 20,000 kilowatts of primary power and 20,000 kilowatts of secondary power beginning July 1, 1941. Beginning January 1, 1942, TVA will supply an additional 20,000 kilowatts of secondary power. When in full force the contract will bring the Authority annual revenues in excess of \$1,000,000."

Power Line Expansion Proposed

Gazette 10-6-40

The possibility of extending electric lines to areas not served at the present time to encourage the development and processing of raw materials will be discussed at a conference sponsored by the state Utilities Commission at 10 a. m. Friday. Representatives of private utilities, rural electric co-operatives, the University of Arkansas Extension Service, farm organizations and the Rural Electrification Administration, were invited.

The REA recently granted a loan to the Southwest Rural Electric Co-operative to extend its lines into Pike and Clark counties to serve the rich cinnabar area, which in the past has depended upon oil-driven engines for power.

Other Developments Sought.
"The success in extending service to the cinnabar mining district leads us to believe that there are other possibilities for developing the state when all agencies, federal and state, co-operate toward this end," Chairman Thomas Fitzhugh said. "We are hopeful that each electric co-operative in the state will have at least one mining or industrial project developed and the private companies will attach to their lines additional power loads which will be beneficial to them and to the general economy of the state."

"The purpose of this conference is to inventory raw materials available in all sections of the state and to discuss the possibility of developing these raw materials. It is our hope and belief that the national defense program will stimulate mineral development and small industries throughout the state."

Mr. Fitzhugh said L. A. Henry, engineer-director of the state Planning Board; Dr. George C. Branner, state geologist, and E. Smith Reed, industrial engineer for the Arkansas Agricultural and Industrial Commission would participate in the conference.

Utility Would Extend Power Lines to Norfolk

Gazette 10-16-40

The Arkansas Power and Light Company asked the state Utilities Commission yesterday to authorize extension of its transmission lines from Batesville to Norfolk and Cotter, Baxter county, at a cost of about \$443,000.

Commission members said they were informed the power company proposed to supply energy for construction of the \$15,000,000 flood control dam at Norfolk, on the North Fork of White river, and then to purchase power from the federal dam after its completion in the event power-producing facilities are installed.

They also pointed out that the company, by extending its lines to Cotter, could supply its own power to its Harrison plant, thereby eliminating the necessity of purchasing power from the Southwestern Gas and Electric Company at Berryville.

Power Firm Seeks To Extend Lines

Democrat 10-16-40

Application from the Arkansas Power and Light Company for authority to extend its power transmission lines from Batesville to Norfolk and Cotter in Baxter county at an estimated cost of \$443,000 was pending before the Utilities Commission today.

The A. P. and L. said it desired to supply power for construction of the \$15,000,000 flood control dam on the White river at Norfolk, and then to obtain power from the dam after its completion if the project is approved for power development.

PRESIDENT FOR STATE POWER DEVELOPMENT

Gazette 10-20-40

Arkansas Authority Has Support.

President Roosevelt has assured the Arkansas delegation in Congress that if he is re-elected he will support legislation to create a power authority, similar to the TVA, to develop Arkansas. Congressman Clyde T. Ellis of Bentonville said here yesterday. He said the proposed authority would include the Arkansas, White and Ouachita rivers and other smaller streams.

Congressman Ellis, who accompanied Maj. Gen. Julian L. Schley, chief of United States Army Engineers, on a tour of flood control sites in this section, said Mr. Roosevelt also informed the delegation he would favor a bill to authorize the addition of power facilities to the Norfolk dam on the White river, now under construction. He said power facilities could be added for \$5,000,000 at the present time but that increasing construction costs would require an additional expenditure later.

Mr. Ellis said General Schley had "visualized" the linking of TVA, the Grand River Dam Authority in Oklahoma, the Red river project on the Oklahoma-Texas state line with the Arkansas project. He said General Schley was convinced "great things" would evolve from this project.

"He is particularly interested in the mineral deposits in Arkansas and the great development this supply of power would assure," Congressman Ellis said.

General to Hear Opposition To Eudora Floodway.

Officials of the Southeast Arkansas Levee District and members of the state Flood Control Commission will meet with General Schley here tomorrow to express opposition to the construction of the proposed Eudora floodway in southeast Arkansas. The project, under which flood waters from the Mississippi river would be diverted into the spillway, has been held up pending a review by army engineers.

Residents of southeast Arkansas and the Flood Control Commission have asked the engineers to abandon the plan and to add at least three feet to the height of the levees on the Arkansas side to bring them to the same strength as Mississippi levees.

C. S. Christian commission engineer, said the construction of 13 cut-offs in the channel of the river between Cairo, Ill., and New Orleans had lowered the flood crest and lessened the need for the floodway.

Colonel Scott Will Entertain General Schley.

General Schley will be a guest at a dinner at the Country Club tomorrow night given by Lieut. Col. Stanley L. Scott, chief of the Southwestern Division, of army engineers.

Three-State 'Power Pool' Discussed

Gazette 10-22-40

Possibility of creating a three-state "power pool" involving the Grand River dam at Venita, Okla., the Norfolk dam on the White river and the Tennessee Valley Authority through its outlet at Memphis, is under discussion in Washington by federal and state officials, informed sources said yesterday.

Such an inter-connected system would bring an adequate power supply to all sections of Arkansas, it was said. Officials have said one of the chief reasons why Arkansas has not yet secured any

national defense industries is the lack of a large power supply.

Under the proposal, lines of the Arkansas Power and Light Company would connect the TVA with the Norfolk dam. The A. P. and L. buys power from TVA at Memphis. Recently the company filed application with the state Utilities Commission for a permit to extend its power transmission lines from Batesville to Norfolk at an estimated cost of \$450,000. The company proposed to supply power for construction work at the dam and to buy power after the dam's completion.

Survey Planned.
Officials said federal and state agencies were preparing to make a market survey of all minerals that could be developed in areas of north Arkansas which do not have power through the extension of lines from the Grand River dam, located in northeast Oklahoma.

Congressman Clyde T. Ellis of Bentonville said here Saturday that President Roosevelt has assured the Arkansas congressional delegation that, if re-elected, he would favor legislation to authorize the addition of hydro-electric facilities to the Norfolk, which was originally designed as a flood control project.

Officials said the dam is equidistant from Memphis and the Grand River dam, about 150 miles by airline.

Congressman Ellis also said Maj. Gen. Julian L. Schley, chief of the United States Army Engineers, had "visualized" the linking of the public power project, adding that the general was convinced the power supply would hasten development of Arkansas's mineral deposits.

Huge Power Chain For State Likely

Democrat 10-22-40

The possibility of inter-connecting the Grand River hydro-electric project at Pensacola, Okla., with the White river development in Arkansas, and the TVA connection at Memphis, is being considered by agencies in Oklahoma, Arkansas and Washington, it was learned today.

The plan, it carried out would provide a "power pool" in the area between the Oklahoma development and the Tennessee Valley. It would in no way interfere with plans for construction of three hydro-electric dams on the White river in Arkansas, informed sources said.

It was recalled that General Schley, on his tour of projects in this state, spoke of a similar possibility of inter-connecting the various power developments.

A survey to determine the mineral possibilities of northwest Arkansas which could be developed if sufficient power were available, probably will be made soon in connection with the proposed project. The area is now served by small lines.

The Arkansas Power and Light Company has applied to the state department of public utilities for permission to build a 110,000-volt line from Batesville to the first White river dam at Norfolk. If the line is constructed, it would be necessary to build only a similar line from Norfolk to the Oklahoma project to carry out the inter-connection proposal.

The Norfolk dam, it was pointed out, is almost equidistant from the Grand river dam and the Memphis TVA connection. A power shortage now existing in the TVA area could be eased through such an inter-connection by supplying power from both the Grand river and Norfolk dams.

Another advantage cited, was the wider power outlet which would be provided for a proposed gas, steam generating plant which informed sources believe will be constructed near Camden.

GENERAL SEES POSSIBILITIES FOR ARKANSAS

Gazette 10-22-40

Chief of Engineers Impressed.

By CLOVIS COPELAND.

(Gazette Staff Correspondent.)

Nimrod Dam, Oct. 21.—Cheap power would make this section exceptionally desirable to the War and Navy Departments as a location for vital war industries, Maj. Gen. Julian L. Schley, chief of the United States Engineers, said here today.

Industries considered vital to national defense will be moved inland, he explained. He said heads of the two departments were favorable to parts of Arkansas, Oklahoma, Texas and Missouri as locations.

"Of course, there are many other things to consider beside cheap power," he said. "There must be the right kind of labor, water, climatic conditions, and transportation facilities."

"I am not in a position to say what war industries Arkansas may get but I know that several locations are being considered." Final decision on the location will rest with the owners of the plants, but the army and navy will "suggest" locations.

Study Made of Advisability Of Installing Power Units.

Power development on Arkansas streams will depend entirely on the need for power and the cost of furnishing it, he said. A study of the section has been under way for several months to determine the advisability of installation of power units on Norfolk dam on the North Fork of White river in Baxter county near Mountain Home.

The engineer's survey has been given to the federal Power Commission for study. Decision on the project will be influenced by the commission's findings, the general said. However, an act of Congress authorizing construction of a power unit and also an appropriation would be necessary, he said.

General Schley said power units could be added to most of the dams in this area, even after the flood control sections had been completed. Reservoir sites are selected with a view to future power development.

Construction of a project never is recommended by the United States Engineers unless it is found to be economically sound, he said. A flood control dam must be able to save enough soil and property over a reasonable period of time to pay for construction.

Power units are figured on the same basis. Savings in power costs over a reasonable period of time must be greater than cost of construction and operation combined. Hence studies of the potentialities of a section are essential before a decision can be reached.

Studies of flood control, navigation or power development are made by the engineers only at the request of Congress, the general said.

After a dam or power unit has been built, it is turned over to private enterprises or "authorities" for operation. He said there had been no definite decision "one way or another" on a proposal for a "little TVA" in the White river.

Cheap power undoubtedly would aid in development of the section's natural resources, he said. This will be considered in the study.

Navigation Possibilities Included in Investigation.

It was revealed that a study of the Arkansas and White rivers' navigation possibilities is being made by Lieut. Col. Stanley L. Scott, acting engineer for the Southwestern District.

"There is no doubt that river transportation will be used extensively in case of a national emergency," he said. "Hitler has been using it considerably with great success. Whether rivers in the highlands will be used depends upon the need and cost of making them navigable."

Dams now being constructed in the Arkansas valley comprehensive flood control plan will aid navigation considerably, he pointed out. He said the dam would aid in stream flow control, and would eliminate floods which in some cases have injured or destroyed navigable channels of smaller streams.

Army engineers will "strongly recommend" completion of all projects now under way, even in case of war, the general said. The policy will be determined by the administration and because of this factor, he explained the engineers are not in a position to comment.

General's Energy Wins Admiration of Beholders.

Nimrod dam was the last scheduled stop on a seven-day inspection tour which started in St. Louis, Mo. General Schley and Colonel Scott visited most of the major construction projects in the district, together with proposed projects in the Arkansas river valley watershed.

The general said he had enjoyed the trip. There was considerable comment about the agile way he climbed about the various construction projects. The Nimrod project was the second visited by the engineers today, yet the veteran soldier led the party over the high flights of steps along the mountain sides.

General Schley and Colonel Scott were in Fort Smith yesterday and motored to Blue Mountain dam in Yell county. They were joined there by Maj. David W. Griffiths, chief of operations for the Little Rock District, U. S. Engineers.

Major Griffiths escorted the general and colonel through the outlet works under construction at Blue Mountain, and the entire project at Nimrod.

"I am well satisfied with the progress on all the projects," said General Schley during lunch at the cafe for workmen at Nimrod dam. "We let this work out by contract and fix what we consider to be a fair working schedule. All the contractors are up with or ahead of the construction schedule."

The general carried a small camera and snapped an occasional photograph of the construction work.

Nimrod Dam Part Of Flood Control Program.

Nimrod dam will straddle the Fourche la Pave river in Perry county. Most of the course of the stream lies through the rugged hills of the Ouachita mountain range. The area is heavily timbered. Except for the stream bed, the area is covered with a heavy growth of underbrush.

The area is sparsely populated. The nearest town and railway is Ola, eight miles north. It is easily accessible from Hot Springs or Little Rock.

The Nimrod reservoir is one of the first units under construction of the comprehensive flood control reservoir system on the tributaries of the Arkansas river. Nimrod will give immediate flood protection to lowlands of the Fourche la Pave valley, and will assist in controlling floods on the Arkansas and Mississippi rivers.

Flood control is the primary purpose of the project. In accordance with recommendations of the Federal Power Commission, the first construction will include provisions for conversion at a future date to a dual-purpose structure for flood control and power generation.

General Schley said the dam would be of the latest type. He spent considerable time in examining the design, which will permit the addition of power generating units. This can be accomplished by installation of crest gates to form the power pool, and the addition of generating equipment.

Construction was started in March, 1940, and is scheduled to be completed in two years.

U. S. Engineer Chief Ends Tour in State

Democrat 10-22-40

Development of electric facilities in the Arkansas and White river valleys will be dependent upon the demand for electric energy by industries and the cost of installation and operation of power units, Maj. Gen. Julian L. Schley, chief of U. S. army engineers, said here yesterday after

completing a seven-day inspection tour of flood-control projects in the Southwestern Division.

Several of the projects visited by General Schley have been designed for future installation of power generating facilities and studies are under way now on advisability of adding electric generating equipment to plans for other projects.

Stopping yesterday at the Blue Mountain dam site on Petit Jean river in Yell county where he made a brief inspection of construction on the outlet works for the project, and at Nimrod dam on Fourche la Pave river where fast progress is being made on the huge concrete structure, General Schley conferred yesterday afternoon at the district engineer office here and left last night for Washington.

General Schley said cheaper power would be a factor in the location of vital war industries in the middle part of the country and indicated several studies were being made as to possibility of selecting sites in Arkansas.

Studies now being made by Lieut. Col. Stanley L. Scott, district engineer, according to General Schley, include possibilities of navigation on the Arkansas river which would be "used extensively in a national emergency." The study has been under way several months.

General Schley said the dams now being constructed would have some effect on navigation as they would aid in control of stream flow.

General Schley was entertained at dinner last night by Lieutenant Colonel and Mrs. Scott before his departure for Washington.

Co-Op Receives Authority To Extend Lines.

Gazette 11-1-40

The state Utilities Commission granted authority yesterday to the Cleveland and Lincoln Rural Electric Co-operative Corporation of Star City to extend its lines 120 miles in Jefferson, Bradley and Desha counties.

The co-op plans to serve 300 additional customers at an initial cost of \$76,000, which will be obtained from the Rural Electrification Administration. Its increased annual revenue was estimated at \$10,355.

Slight revisions in the application were made prior to yesterday's hearing.

Grand River Dam Power Sought for Northwest Arkansas

Special to the Gazette. 11-10-40

Bentonville, Nov. 9.—Congressman Clyde T. Ellis of Bentonville has written to Dr. Harry Slattery administrator of the REA, Washington, D. C., recommending that a survey be made at once of the situation in this area with a view to arranging for bringing cheap power from the Grand River Dam Authority in Northeastern Oklahoma to the rural co-operatives of Northwest Arkansas and for connecting the Grand river dam in Oklahoma to the Norfolk dam on White river with a transmission line.

"As your records will show," Mr. Ellis wrote, "the section of the co-operative in which I live, for instance, is forced to pay well above one cent per k. w. h. wholesale for its power. The Grand River Dam Authority people advised us that they could deliver us sufficient power at a maximum figure of seven mills and possibly under six mills. The Carroll Electric Co-operative alone requires 500 k. w. and last month used over 200,000 k. w. h. The Ozark Electric Co-operative requires 207 k. w. and last month used 62,000 k. w. h. Both co-operatives are just getting started. At least one other Northwest Arkansas co-operative would benefit. Cheap power would enable many people of lower income to participate in the splendid program. Success of these projects would be guaranteed if such an arrangement could be worked out."

Power Pool Conference Here Today

Gazette 11-15-40

The possibility of extending a transmission line from the Grand River dam in Oklahoma into northwest Arkansas to provide power for two rural electric co-operatives will be discussed by R. J. Bemish, national defense consultant of the Rural Electrification Administration, and superintendent of the co-ops, at Hotel Marion at 11 a. m. today.

Mr. Bemish said the line would be the first step of the formation

of a proposed "power pool" which would interconnect the Oklahoma project, the Norfolk dam on the North Fork of the White river, and the Tennessee Valley Authority through its outlet at Memphis.

An application probably will be made to REA for a loan to finance the construction of the transmission line, which would make power available to lead and zinc mines, Mr. Bemish said. The results of a survey to be made soon by the REA will be used in determining the feasibility of the project.

Ultimately, the formation of a "holding company," composed of co-operatives, to extend the transmission line to Norfolk and to connect with TVA is planned, Mr. Bemish said. The second step of the program would be the extension to Norfolk and the final link would be the TVA connection, he said.

"This proposed power pool is just more than talk," Mr. Bemish said. "It is a definite possibility."

The Ozark Rural Electric Co-operative Corporation of Fayetteville and the Carroll County Co-operative of Berryville will be represented at the conference with Mr. Bemish.

REA to Survey Proposed Power Line

Gazette 11-27-40

Washington, Nov. 26 (P).—Representative Ellis (Dem., Ark.) reported today the Rural Electrification Administration had ordered a survey to determine the feasibility of sponsoring building of a transmission line to connect Pensacola dam on the Grand river, near Vinita, Okla., with Norfolk dam on the White river, near Mountain Home, Ark.

"The survey was requested by REA co-operatives in north Arkansas, the Arkansas Utilities Commission, and myself," Ellis said. "Such a line would permit the co-operative to obtain its current at about one-half of what it is paying now. Its present contract with a utility company has a minimum rate of 1.2 cents per kilowatt hour. The Grand River Authority officials state that if a line is constructed they can deliver power to us at between six and seven mills per kilowatt hour." Ellis said REA Administrator Harry Slattery directed Walter Wolff, an engineer in the office here, to make the survey under direction of the supervising engineer, Richard J. Beamish, and G. E. Dillon, field representative of co-operative relations.

Terry, Henry Criticize

Power Report

Democrat 12-8-40

A. P. & L. Official Denies Shortage in Territory Served.

A forecast of the Federal Power Commission that Arkansas, northern Louisiana and western Mississippi are faced with a critical electric power shortage was met last night with charges by Congressman D. D. Terry and L. A. Henry, engineer-director of the state planning board, that such a condition was realized by state officials last June, but had been ignored by the federal commission until yesterday.

The two added that the power commission not only ignored evidence that such a shortage was possible, but further denied any need for additional power production was necessary.

Meanwhile, at Pine Bluff, C. S. Lynch, executive vice president of the Arkansas Power and Light Company, charged there "never has been a power shortage" in the area served by his group.

Steam Plant Proposed.

In reference to the commission's claim the peak load in the area would exceed the output by 2,000 kilowatts by January, Congressman Terry charged he arranged a conference last June to explain the possibilities of a cheap, steam-power generating plant at Cass, in Franklin county.

The proposed plant, which could be completed within a year at a total cost of \$2,000,000, would furnish 80,000 kilowatts annually, or much more than any expected shortage, Mr. Henry said.

Elaborating on the expected short-

age, the Washington report said that within the next month it would be necessary to begin encroachment on the reserve power supply.

"Such a condition was first noticed by state officials four years ago," Mr. Henry said last night. We made the facts known repeatedly, and only last June Mr. Terry arranged a conference with the National Resources Planning Board, the Federal Power Commission and the advisory committee to the National Defense Council.

At this meeting suggested for immediate relief was the installation of the steam generation plant, which would utilize coal from western Arkansas mines, and condenser water would be impounded by a proposed dam near Cass.

Project Turned Down.

Such a project would serve the needs until the development of the proposed hydro-electric power plants at Bull Shoals, Table Rock and Norfolk.

Admitting he was "burned up" over the Washington report yesterday, Mr. Henry said their proposals were met with the statement last August 17 from Claude L. Draper, acting chairman of the Federal Power Commission, saying that "load studies of the area do not indicate a need for the capacity in the vicinity of the proposed location."

"By next September, when the power shortage is expected to occur, this Cass project could have been completed. It would have sufficed until the other dams could be completed," Mr. Henry said.

He also reminded that Arkansas had already lost one industry, an aluminum processing plant of the American Metals Company, "because we needed more available power."

Mr. Terry called attention to the fact that the Federal Power Commission had already made recommendations favoring construction of the hydro-electric plants at Bull Shoals, Table Rock and Norfolk, although these projects would take "eight or 10 years to complete."

The 80,000 kilowatts provided by the Cass plant could be available within eight to 12 months, he said.

According to the power commission's statement yesterday, the present assured capacity of power in the tri-state area was 280,797 kilowatts. Next month the peak load will reach 283,000 kilowatts, or more than 2,000 kilowatts less than the output, according to estimates. By next September the peak load is expected to reach 312,000 kilowatts. Shortage Denied.

There never has been a shortage of power in the territory served by the Arkansas Power and Light Company, and there never will be, C. S. Lynch, executive vice president of the Arkansas Power and Light Company, said last night in commenting on the Washington report.

"The Arkansas Power and Light Company has abundant capacity available to serve requirements for all foreseeable demands in the area which it serves, whether it be industrial, residential or commercial," Mr. Lynch said. "The available capacity of the A. P. & L. system, without counting the thousands of kilowatts available from affiliated interconnected systems, is 50 per cent greater than the highest peak demand on the company's system today. We are ready, as usual, to serve Arkansas, and we are prepared to help our country in the national defense program. We have the organization, the men and the materials."

"During the last 60 days our company has offered to supply immediately power for two large industries, each of which would have required 30,000 kilowatts of capacity. Each of the industries would have required 250,000,000 kilowatt hours annually."

"During our 30 years of operation, we have made forecasts each year of our requirements for the future, and from these forecasts we have kept our power resources well in advance of the requirements of our growing territory. A year ago we filed with Federal Power Commission a report showing our load forecast for 1940. This forecast was very conservative, but despite increased defense activity, our load did not develop during the year to the size we forecast. In the event of an emergency, we would be able to take care of 40 to 50 per cent more load than we are now carrying."

"The Arkansas Power and Light Company is interconnected with systems of the Mississippi Power and Light Company and the Louisiana Power and Light Company, and this whole system could carry 40 per cent more load than it is now carrying."

"Even in the event some additional defense industries should be located in Arkansas that would require tremendous additional power, we could and would complete generating capacity to operate it as quickly as the industry itself could be built and put into operation."

"We have always had more than enough power to meet all demands and we will continue to do so in the future."

Craighead Co-Op Buys Power Service at Brookland.

Special to the Gazette. 12-15-40

Jonesboro, Dec. 14.—The electric service of the town of Brookland in north Craighead county has been bought by the Craighead Electric Co-operative Corporation from the Arkansas Power and Light Company. The purchase price was listed by Manager T. J. Robertson at \$2,800. Cost of new lines and equipment, in addition to the privilege of serving the town, will be approximately \$6,000. Service under the new management is expected to begin December 25. Fifty-six consumers will be served, including street lights. The Brookland rights were bought only recently by A. P. & L. from the North Arkansas Power and Light Company.

Three Boone County Lines Energized.

Special to the Gazette. 12-15-40

Harrison, Dec. 14.—Three rural electrification lines to serve more than 100 customers in Boone county have been completed and energized in the last few days, L. J. Cooper, division manager of the Arkansas Power and Light Company, said today.

All the lines were constructed by a crew under the supervision of W. A. Cole.

Largest of the projects serves the community of Olvey, where 47 customers are receiving service. This line is east of Harrison on Highway 62.

Another is the Crooked Creek-Gaither line, between Highways 7 and 43, serving 27 customers. This is southwest of Harrison.

The third line is along the Hopewell road north of Harrison, and four miles south of Highway 65, serving 20 customers.

Extension of REA Lines in Iard County Asked.

Special to the Gazette. 12-27-40

Melbourne, Dec. 26.—Rural residents along two proposed routes are seeking extension of rural electric lines. The REA will be asked to run a line from Violet Hill to LaCrosse and vicinity and another from Pineville to White river to serve Knob Creek, Jumbo and other small communities. In addition to Violet Hill and Pineville, towns served by the REA in Iard county are Myron, Franklin, Wiseman, Oxford and Wideman.

Gazette 12-29-40 Resolution May Be Start Of Campaign for A. V. A.

The resolution adopted by the Montgomery County Lions Club asking the Federal Power Commission to revoke the Arkansas Power and Light Company's license for construction of the proposed Blakeley mountain reservoir, may have marked the opening of a campaign for an Arkansas Valley Authority. Other groups may be asked to take similar action. Congressman Clyde T. Ellis, who has drafted a bill for creation of an A. V. A., is willing to have the proposed dam within the authority's scope.

Agencies interested in the development of the Red, Ouachita, White and Arkansas river valleys apparently are looking forward to the next session of Congress. The Montgomery County Club's resolution did not confine itself to the Blakeley dam and the Ouachita valley, but urged flood control and power-developing projects on the other rivers.

Water Power Projects Not Economically Sound.

Hydro-electric power does not appear to be an economic possibility on any of the water courses in Pulaski county, the report said. United States army engineers reported after a survey several years ago that a site on the Arkansas river two miles above Little Rock would have sufficient watershed for hydro-electric power development, but cost of the project (\$120,000,000) would be prohibitive. Storage of large quantities of water at the site would inundate rich farm lands of the river plain for 100 miles up the stream.

Co-ordination Needed For Drainage Works.

Several land drainage projects in the county were undertaken without a provision for future maintenance, the report said. Some were not completely correlated with other similar projects and duplication or burdensome assessments upon real estate have been imposed in some instances, causing financial difficulties. To obtain the best possible protection and reclamation from water control projects within a drainage basin, it said, all future proposed drainage and flood con-

trol projects should be reviewed by the Planning Board.

Can Provide For All Needs, Say Officials

See Prospects of Industrial Gains for State During 1941.

Democrat 1-12-41

Pine Bluff.—Because its development has been based on long-term planning that provided excess capacity far in advance of actual needs, the Arkansas Power and Light Company, like the rest of the nation's electric industry, declares it stands fully prepared to meet all power requirements of the national defense program.

This assurance is given by officials of the Arkansas utility as the new year brings prospects of many industrial developments for the state.

"During the year just closed we have experienced an unusually good normal industrial growth in the territory we serve—57 of the 75 counties—and 1941 promises to see many more plants located in our state," Kenneth Johnson, power engineer for the company, asserted.

He repeated the statement made several weeks ago by C. S. Lynch, executive vice president of the utility, who said: "There never has been a power shortage in the territory served by the Arkansas Power and Light Company—and there never will be!"

The fact that it has always been able to serve new industries locating within its territory is proof that the company has had adequate capacity to serve all demands, and that industries have found the power rates low enough to operate profitably, Mr. Johnson said.

Reviewing the industrial developments in his company's territory during 1940, Engineer Johnson observed that the increased location of small but stable industries that operate year-round were, he believed, of far-reaching significance from an economic standpoint.

Increased recognition of the latent natural resources of the state was cited as one of the biggest strides of the year for Arkansas.

Prepared for Demands.

"From the standpoint of our own industry," he said, "the fact that we are prepared to meet demands for power for the defense program shows that there is no need for the government to spend any of the taxpayers' money for generators. This is truly an accomplishment to be proud of."

"Because the electric industry, which plays a big part in keeping industry moving, yet takes but a tiny part of industry's operating costs, is ready now, the government can concentrate its spending of tax funds on such urgently needed items as guns, ships, tanks, airplanes, and other items that only the government can provide."

Two industries locating last year in Arkansas Power and Light Company territory and supplied large blocks of power without any trouble, the Magnet Cove Barium Corporation plant, in Malvern, and the Baroid Sales Division plant of the National Lead Company near Magnet Cove, each using about 250-horsepower and turning out 50 tons daily.

These plants, representing an additional investment in the state of some quarter of a million dollars and employing large forces steadily, produce barite, a product used in oil field drilling, paints, and for other purposes, which plays a major part in the defense program.

Barite is heavy and is mixed with drilling mud. Its value comes in its heaviness and flexibility for pumping down into the wells to soften the areas around the bit.

The barite is shipped out in 100-pound sacks made at the Camden paper mill, which is also supplied by energy from the A. P. & L. system.

Power for Mercury Output.

The Arkansas Power and Light Company stands ready to serve the new cinnabar area with 2,500 horsepower as soon as the power contract is approved, Engineer Johnson pointed out. At present the contract has been signed by the company and the local co-operative which will buy the power wholesale for resale to the mine operators, and is awaiting approval by the R. E. A. in Washington, he explained.

Power is being supplied the W. H. Denison Manganese Company in the Cushman area for mining and hoisting. Several other manganese plants are considering locating around Sushman, and these can easily be supplied with power, Mr. Johnson continued.

One of the new industries made possible by ready power is the quick-freeze plants. Such plants are now located in Harrison, Stuttgart, North Little Rock, Truman, West Memphis, and other cities.

The Harrison plant, one of the lat-

est, also handles butter, eggs, creamery products, and chickens. Electricity is used in the automatic pickers, conveyors, and other processes, as well as the refrigerating phase of the industry.

It is significant from a national defense standpoint, Mr. Johnson remarked, that many of the products of these plants are being shipped directly to cantonments.

Rice is another Arkansas product that is finding favor in army camps. The A. P. & L. assisted the rapid development of the rice growing areas around Stuttgart by supplying power for irrigation.

Today, the company supplies more than 24,000 horsepower of electric power for rice irrigation. This is the largest rice irrigation load of any utility in the country, with around 90,000 acres, according to Mr. Johnson.

When the A. P. & L. began developing the electric rice irrigation project, about 1918, it aided the growers in financing their pump installations, power bills, and in other ways.

Drives Alfalfa Dryers.

A newer and important development in Arkansas that has not received widespread publicity, is the alfalfa dehydrating industry. The A. P. & L. provides current for 10 dehydrating plants.

Alfalfa is chopped into fine pieces and passed before a roaring furnace into a rotating bin. This sudden heating takes the moisture out of the alfalfa, but does not remove any of its food elements, raising the value of the finished product. The alfalfa is then pulverized into meal, which has a highly concentrated food value, and brings from \$28 to \$35 a ton.

Since in dehydration the alfalfa loses 70 per cent of its weight, its concentrated value can be readily seen.

Some of this meal is further processed in Arkansas by being mixed with pulverized rice hulls and molasses, and made into a high grade feed for stock.

Increased electrification of the Arkansas oil fields went ahead rapidly last year in the territory of the power company, and still more electrification is expected this year—a growth that will be handled easily from the company's present adequate facilities.

"More than 4,000 horsepower in electric power is now in use in pumping in the oil fields," Mr. Johnson said. "Through the use of electric pumps, operators report maintenance costs have been reduced and manpower made available for other essential operations in the field, thus improving the petroleum industry's preparedness for national defense."

"In addition, about 5,000 horsepower of electric current is at work in oil refineries in our territory turning out articles essential in the defense program."

With some 6,000 horsepower connected load in the mining and processing of bauxite, the power company is filling a real need in the defense program. In addition to aluminum, some of the bauxite is going into the manufacture of chemicals, one of which is alum, used extensively for purifying water in Army camps.

Alum from the same source enters into the manufacture of pulp for paper mills in Arkansas, and could be utilized for production of pulp for munitions purposes.

Bauxite produced by electricity in Arkansas is processed into another essential, a filtration agent, used in making lubricating oil.

Bauxite Yields Abrasives. It is utilized too for abrasive purposes. Abrasives play an important part in the national defense program, because they are required for making machine tools, finishing various machine parts, and serving numerous other needs.

All railroad shops in the A. P. & L. territory are electrified, with the total load for this class of industry exceeding 7,500 horsepower, Mr. Johnson reminded. This load is in the shops themselves, in addition to the large load utilized in pumping stations along the various roads to supply water for locomotives and other railroad requirements.

Another defense industry that is calling on electric power is laundering. More than 8,500 horsepower is being supplied to saw mills, wood-working and furniture plants in the power company's territory. Much of the lumber turned out is going into cantonments.

Coal mining is utilizing about 1,000 horsepower in blowing air down shafts, hoisting coal and miners, running assorting racks, and operating conveyors.

The textile industry is using some 4,000 horsepower, turning out materials that go into tents, bandages, clothing, and shoe linings for the armed forces, as well as normal textile requirements.

The steel and iron industry is using some 2,500 horsepower. The electric steel furnaces, into which iron is melted with manganese to produce steel, could be readily converted into the production of metal for airplane parts, it is pointed out.

Nearly 7,000 horsepower in connected load now serves the brick, tile, lime and cement plants of A.

P. & L. territory. These products are becoming more and more important in the defense program. Not only are the building materials essential, but lime is being used more and more in purification of water, making paper, and in reducing bauxite to alumina, from which aluminum is made.

Much Power to Gins.

Cotton gins have been whirring away the last few months, turning out fleecy bales that will be used in almost unlimited ways in the defense program. The A. P. & L. supplied more than 25,000 horsepower for cotton gins.

Cottonseed oil mills, drawing 20,000 horsepower, have begun turning out products that are of vital necessity to defense. From these mills will go products that later will be converted into foodstuffs; other products will be converted into soap, which is a base for lubricants essential to the land, sea, and air forces; the linters will go into explosives and other munitions.

Grain and flour milling, requiring 2,500 horsepower of electric energy, are grinding out additional foodstuffs in A. P. & L. territory.

Ice and cold storage plants, where foodstuffs can be preserved, are using 5,000 horsepower. Meat curing plants, where farm products of several months ago have been stored, are now curing additional foods for soldiers and sailors in addition to the daily requirements of the civil population.

Paper manufacturing, a truly vital and essential industry in the defense program, is progressing steadily, with a load of more than 20,000 horsepower supplied by the power company. Much of the production of Arkansas paper mills is going into the manufacture of containers for various items used in the defense program.

Gravel pits are using some 2,000 horsepower of current in producing gravel for roads.

Helps to Process Foods.

Canneries and food producing plants require several thousand kilowatts of capacity in their operation.

Since the Arkansas Power and Light Company launched its own rural electrification program in 1935, thousands of farms have received the comforts and conveniences of electric service, thereby lightening the farmer's burden, as well as giving him additional time to devote to his normal agricultural pursuits.

In addition to its own rural customers, the Arkansas Power and Light Company serves nine co-operative electrification projects. Working with the Department of Public Utilities, the company developed a wholesale rate for co-operatives that is declared by the department to be the lowest in the country.

"Just as we have had adequate cheap power for all of these industries to start and continue operating, so will we have adequate capacity for others that may arise," Engineer Johnson said.

"We have built up our industry by anticipating demands far into the future and providing them by the time they are needed. As a result we are ready for increased demands now. We are willing and in a position to do our part in the national defense program whenever called upon."

"We are continually searching for opportunities to serve our state and country."

Adkins Interested In Power Development.

Gazette 3-7-41

Construction of Blakley dam near Hot Springs and a steam electric plant to utilize "sour gas" in south Arkansas, as proposed in the Ouachita Valley Authority measure by Senator Clyde Byrd, would constitute a major development in Arkansas's industrialization, Governor Adkins said yesterday.

He repeated that the industrial program, "power and sour gas," will be his chief concern after the legislature adjourns.

The governor expressed satisfaction over amendments to the bill which would limit the OVA power of eminent domain to the condemnation of only that property which would be essential for the new dam and steam electric plant.

He said if the Arkansas Power and Light Company is not going to build Blakley dam, it should be decided immediately that another party will construct it.

Proposals to include the company's Rammel and Carpenter dams in the OVA were opposed. "I don't think we have the right to 'take over' them any more than to take the Arkansas Power and Light Company, Arkansas Louisiana Gas Company or Lion Oil Refining Company," Governor Adkins said.

SENATORS URGE EARLY WORK AT BLAKELY DAM

Taxing Restrictions Proposed.

Gazette 1-29-41

Construction by the federal government of a multiple purpose power dam and reservoir at Blakely mountain on the Ouachita river north of Hot Springs was requested in a concurrent resolution by Senator Mason of Camden, adopted by the Senate yesterday afternoon. Advantages to the state from such a project were cited as the prevention of floods, the extension of navigation on the Ouachita river as far as Arkadelphia and creation of electric power for defense and private industries.

The resolution would instruct the senators and congressmen from Arkansas and Louisiana to "give their combined interest and influence towards securing a liberal appropriation at this session of Congress for the construction of this project.

The construction of a dam and reservoir was first recommended in a report issued by the Vicksburg (Miss.) District United States Engineers in 1910-11 after an extensive survey of the upper Ouachita river. The Arkansas Power and Light Company which has two other hydro-electric plants on the river (Rommel and Carpenter dams), was granted permission to build the dam but was authorized by the Federal Power Commission to extend its completion date from December 31, 1939 indefinitely. The power company contended it could not use productively, the generating capacity that would be available from the dam.

Recently, J. Fred Jones, a young banker of Norman, Montgomery county, representing the Norman Lions Club, has urged revocation of the power company's license to build the dam in order that it might be included in the program of Congressman Clyde T. Ellis' proposed Arkansas Valley Authority. Senator Mason's resolution would concur in this latter request.

Would Exempt REA Lines From Improvement Taxes.

Gazette 2-13-41

A bill by Senator Charles Frieron Jr. of Craighead exempting rural electric co-operative transmission lines from improvement district taxes was recommended for passage.

POWER PLAN FOR OUACHITA RIVER VALLEY OFFERED

State Agency Would Develop Area.

Gazette 2-13-41

Creation of a \$20,000,000 tax-exempt Ouachita Valley Authority to undertake a vast power and conservation development program in southwest Arkansas is proposed in a bill which Senator Clyde E. Byrd of El Dorado announced he will introduce in the Senate today.

The proposed authority, a separate governmental agency for which the state would pledge none of its credit or taxes, would be authorized to build the long-planned Blakely mountain dam and reservoir on the Ouachita river, about 15 miles northwest of Hot Springs; to construct a steam-electric power plant in or near the south Arkansas oil fields, utilizing waste gas from the fields, and take over by legal action properties of private utilities in the OVA area.

Counties within the area are Columbia, Garland, Hempstead, La-

fayette, Miller, Montgomery, Nevada, Ouachita and Union.

The bill provides no conflict with the proposed Arkansas Valley Authority, a measure for development of the Arkansas river basin, now pending in Congress.

Three-Member Commission Would Direct Project.

The authority would be directed by a three-member commission, appointed by the governor for nine-year, staggering terms. They would be paid \$7,500 a year each and expenses from revenue of the authority and would have the power to employ necessary workers. The commissioners would be full-time officials under bonds of \$10,000 each and none would be permitted to have conflicting business or political interests.

The OVA would have the power of eminent domain to acquire utility properties, pipelines and lands within the area. It would be authorized to float a \$20,000,000 bond issue to finance such acquisitions and for construction of power plants.

Because all of its property would be tax-exempt, the authority would be required to divide on a percentage basis among the nine counties in the area, three per cent of the gross proceeds from the sale of power and water. This would recompense the counties for their loss of tax revenue.

Chief objectives of the OVA would be to produce, distribute and sell electric power, reclaim swamp lands, reforest the Ouachita river watershed and utilize waste gas in the generation of electric power.

The plan is thought to be the first to utilize waste natural gas from the oil fields. In Texas, this waste gas is burned.

Huge Amounts of Gas Being Wasted Daily.

Senator Byrd estimated 48,000,000 cubic feet of sweet and sour gas is being dissipated into the air daily in the south Arkansas oil fields. The state is known to have a reserve reservoir of approximately 8,000,000,000 cubic feet of natural gas, he said. Sour gas, which contains hydrogen sulphide, is unsuited to domestic use, but after treatment, can be utilized in industrial plants.

Most efficient operation of an electric-producing system requires the use of a steam plant in conjunction with a hydro-electric one, Senator Byrd said. The steam plant proposed in this bill would probably be located at Prescott or Magnolia, he said.

Blakely Dam To Be Incorporated.

The bill would give the authority the power to conscript the plans and engineering data of the Arkansas Power and Light Company which was originally given authority to construct the Blakely dam and which has spent more than \$1,000,000 in preliminary work.

Construction of a dam and reservoir at Blakely mountain was first recommended in a report issued by the Vicksburg (Miss.) District United States Engineers in 1910-11 after an extensive survey of the upper Ouachita river. The power company which has two other hydro-electric dams on the river (Rommel and Carpenter dams), was granted permission to build the dam and was authorized by the Federal Power Commission to extend its completion date from December 31, 1939, indefinitely.

In its report to the F. P. C. the power company contended that because of availability of Tennessee Valley Authority power, it could not use economically the generating capacity available at the proposed dam.

Private citizens and an Arkansas Senate resolution have asked that the power company's license to build the dam be rescinded and that it be included in the proposed AVA.

Preliminary studies indicate that Blakely could furnish an initial power output of 30,000 kilowatts with an ultimate production of 60,000 kilowatts. The steam plant would be able to furnish about twice that much power, Senator Byrd said.

Other States Operate Similar Developments.

The Grand River Dam in Oklahoma is a similar project, Senator Byrd said. Money for the construction of this dam was obtained by selling bonds to the federal government, he said.

Fitzhugh Asks Action to Get Industries

Democrat 2-16-41

Urging immediate action to obtain greater power output in order to obtain industries, Thomas Fitzhugh, chairman of the State Public Utilities Commission, yesterday said there was not adequate power in the state and approved the proposed Arkansas Valley Authority.

Speaking before the Little Rock Engineers Club at its weekly meeting in the Hotel Frederica, Mr. Fitzhugh recounted the low per capita income in the state and declared the state's position "will grow steadily worse" unless it obtains defense industries.

"It is imperative that Arkansas take immediate and aggressive action to improve its condition before it is too late," Mr. Fitzhugh said.

"There are three unusual opportunities now present that make a discussion of the power question all the more important. The first is the proposed Arkansas Valley Authority, the second is the tremendous reserve of natural gas in South Arkansas that can and should be used for power production and the third is the opportunity for industrial development if we have the power," he said.

Much Power Imported.

Relating that during the past five years "we have imported over 65 per cent of the power" that has been used in Arkansas, Mr. Fitzhugh said the average amount used in Arkansas was less than the national average but still the cost had decreased. He attributed it "probably to three factors, the cost of power, the low cash income and the availability of natural gas in most of the state."

"Our department believes that low electric rates stimulate consumption and can be beneficial to the consumers and the utilities alike," he said.

"There has been a great deal of discussion recently on the need for power in this area if we are to share in the defense program and to have any considerable amount of industrial development.

"The Arkansas Power and Light Company has taken the initiative in attempting to show it has sufficient power to meet not only normal growth but the needs of the defense program. I do not agree with this contention.

Would Attract Industry.

"For the purpose of this discussion it can be admitted that they have sufficient power to serve adequately their present connected load; however, it is my contention that it is essential to have large blocks of power at low rates available to attract industrial development.

"It is very difficult to estimate accurately the future market for power. The consumption of power depends to a large degree on the rate at which it is sold. The consumption also depends upon the resources of the area, the availability of raw materials that can be processed with electricity, the proximity to centers of consumption, transportation facilities, available labor and many other important items," he said.

Comparing the experiences now facing Arkansas with experience of the Tennessee Valley Authority, Mr. Fitzhugh said requirements in the TVA area had not only absorbed all the power available but had necessitated emergency construction to add to the system. He also pointed to construction of lines for rural electrification, saying the program "had just begun" and that the projects are "fundamentally sound" and predicted all loans will be repaid.

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The proposed Arkansas Valley Authority, if created, will provide "the greatest public benefit that can accrue to this area," he said, as "large blocks of power at low rates can be produced in this area.

"Unquestionably, in order to secure the location of industry in an area, the power must be available first. You cannot locate the industry and later develop the power to serve it," he declared.

"There are many advantages of public power development over private. On hydro-electric projects government development has two distinct advantages. The first is that with multiple-use dams, part of the construction cost will properly be allocated to flood control and navigation and in some cases to irrigation and recreation, as well as power development. With private enterprises, the history has been that the entire cost of the project has gone into the electric plant account. Another tremendous advantage of government development is the lower cost of money," he said.

Sour Gas Available. Mr. Fitzhugh also mentioned use of "sour gas" for power production and said he had been informed engineers "know of no other fuel in the United States that is available at a comparable price." He stressed the building of stand-by plants for hy-

dro-electric units.

Pointing out that engineers at hearings in Washington had said "White River is the best power possibility between the Mississippi River and Colorado" and that the "power possibility of South Arkansas is unexcelled anywhere else in the country," Mr. Fitzhugh said the commission had recommended multiple-purpose dams in the Arkansas River Valley.

The club adopted two resolutions protesting enactment of two bills before the Legislature, one which would lower the qualifications for appointment of the state geologist and the other to increase minimum amount of public works projects on which the services of a registered professional engineer are required.

The public works bill would require services of a registered professional engineer on projects of \$100,000 or more, a law adopted in 1939 fixing the amount at \$5,000.

A. P. & L. SEEKS PERMISSION FOR HUGE PROGRAM

To Speed Arkansas Development.

Special to the Gazette: 4-18-41

Washington, April 16.—Permission to launch immediately a six-year development program representing an investment of more than \$10,000,000 to speed maximum industrial development in the territory it serves will be sought in an application to be filed with the Federal Power Commission tomorrow by the Arkansas Power and Light Company, C. S. Lynch of Pine Bluff, executive vice president, announced today.

Three Big Features Included in Program.

"Based upon the latest known actual prospective demands of our country's national defense activities," Mr. Lynch said. The plan will embrace:

1. Construction immediately of a \$3,000,000 steam-operated electric power generating station in the "sour gas" fields of south Arkansas, with an initial minimum capacity of 30,000 kilowatts and designed so additional units can be added quickly.
2. Co-ordinated completion of the Blakely Mountain dam for power generation, flood control and other purposes by December 31, 1946. It has been estimated this project will represent an investment of \$6,000,000.
3. Continuation of the company's program of integration and interconnection with neighboring public and private utility systems.

Early Approval Of Proposals Will Be Urged.

Early approval of the application will be urged, Mr. Lynch said, on the grounds that it "promotes the welfare of the people in the area and the nation as a whole at lowest possible costs to all concerned," a basis the commission has established for co-ordinated development of power projects.

"We are sincere in our desire to co-operate fully with the governor and other state officials in their efforts to develop Arkansas industrially through the prompt utilization of this new gas resource," Mr. Lynch said. "Since this is as far as we can proceed, we are anxious that early action be taken on our application."

Industry for South Arkansas Believed Obtained.

Since the power company recently announced that its ability to use "sour gas" as a fuel for power generation would depend on some other large industry locating in the territory to utilize by-products obtained in sweetening the gas, it is presumed that the utility has succeeded in obtaining such an industry for south Arkansas. Asked about this, Mr. Lynch said: "It is not for our company to announce the plans of some other company." Plants for production of sulphur, sulphuric acid and several other articles have been mentioned.

Several Sites Considered For New Generating Plant.

Several sites are being considered for the new generating plant, Mr. Lynch said. It will be a new type station with one 30,000-kilowatt capacity turbo-generator located in a building 80 feet long and 78 feet wide. The smokestack will be approximately 300 feet high, one of the tallest in the South. If a second unit becomes necessary, it will be placed in a duplicate building adjoining the first one, with flue outlet on the opposite side of the stack. It will be known as an "open air type station," and both the huge boiler and turbo-generator will be in the open. A large crane will operate above the generator.

Company Seeks To Proceed With Blakely Dam.

Several weeks ago the Federal Power Commission refused to grant an indefinite extension to the power company for the completion of Blakely mountain dam. In the application to be filed tomorrow, a hearing on the extension petition will be asked, with 1946 to be fixed as completion date.

"The unprecedented and unforeseen emergency calling for a prompt, efficient and co-ordinated utilization of the nation's resources in the interest of national defense has hastened the Blakely development and emphasized the importance of many factors which were not apparent, non-existent or not subject to precise appraisal at the time of the hearing in December, 1939, the application will say.

The immediate future need is for a high-load factor power which the steam plant in the "sour gas" field can best provide, Mr. Lynch said. "The plant will also foster the development of the gas field and the conservation and utilization of the natural resources of the area to the best possible advantages." He pointed out that the company already has expended \$1,600,000 in the Blakely development.

Company Promises To Maintain Safe Reserves.

Application for the "sour gas" station also says:

"Meantime the company is proceeding, in advance of urgent needs, to maintain safe reserves by making such further interconnections and adopting such other measures as will insure the company's ability to continue its past record of economically meeting the power needs of its territory. In particular, the company is actively planning early extension of its 154,000-volt tie line, just finished from its main transmission network to the Norfolk dam site, so as to establish a new connection through the neighboring system to the north in Missouri, to the system of Kansas Gas and Electric Company's reserve capacity for meeting the increased defense loads

and which later would afford increased outlet for low load factor peaking power generated by hydro plants, private or public, in Arkansas.

"The state well recognizes the need for quick development of methods for utilizing and sweetening the south Arkansas 'sour gas,'" the application says. "Governor Adkins has devoted much time and thought to the maximum utilization of this resource (now going to waste) and has repeatedly asserted the use must be found for it or the gas returned to the ground. This would curtail production of the valuable distillate contained in the gas—an essential national defense item. It is urgent that the gas continue to be taken from the ground, Governor Adkins has said. It is his opinion private utilities and capital should have the first opportunity to produce power, particularly for industrial purposes."

Work to Start at Once If Application Is Granted.

Mr. Lynch and Willis Holmes of Little Rock, attorney for the power company, will leave for Arkansas tomorrow after filing the application, to make plans for starting work on the generating station at once if the application is granted.

IMPORTANCE OF POWER RATE IN STATE DEBATED

Hearing Continues On Plant Permit.

Gazette 5-14-41

A substantial rate reduction would not stimulate the Arkansas Power and Light Company's industrial load, and rates would not "make a particle of difference" as an inducement to industries, the state Utilities Commission was told yesterday by C. S. Lynch, executive vice president of the A. P. and L.

Mr. Lynch, testifying in a hearing on the company's application for authority to construct a \$3,000,000 steam generating plant in south Arkansas, was on the witness stand most of the second day's session. Other developments at the hearing:

Mr. Lynch and C. Hamilton Moses, A. P. and L. lawyer, recalled that a newspaper article, published last October, quoted R. S. Reynolds of Richmond, Va., Reynolds Metals Company president, as saying freight rates "had more to do with not coming to Arkansas than anything else." Arkansas was considered as a location for a \$10,000,000 to \$15,000,000 aluminum plant assigned to Sheffield, Ala.

The A. P. and L., Mr. Lynch said, preferred to buy a new 30,000-kilowatt generator from the General Electric Company, deliverable 19 months from now, instead of a used 45,000-kilowatt generator from the Detroit Edison Company because the latter's fuel cost would be \$44.160 greater per year. The proposed plant, to be located in the sour gas field, would be ready for operations in 14 months. The old generator could be delivered immediately and operated five months before the new is available.

Ben E. Carter, Utilities Commission chairman, read a statement by the chief of the Federal Power Commission's Bureau of Accounts and Rates, who does not believe the A. P. and L. could finance more than one-third to one-half of the plant's cost. He wrote that the company's financial position, "somewhat lower than the average," would justify the granting of a permit to construct the plant.

New Plant's Effect On Rates Debated.

Thomas Fitzhugh, former commission chairman and lawyer for state Senator Clyde E. Byrd of El Dorado, intervenor, asked Mr. Lynch whether he meant that the plant would result in "no material saving" to industrial or prospective customers.

Mr. Lynch replied the commission would set rates. Mr. Fitzhugh reminded him that the commission has served a "show cause" order on the company, for a commercial rate reduction of \$350,000 a year. The case, set for next Monday, "doesn't affect the big ones," Mr. Lynch replied.

"Just the same, it is unfortunate that the company and the commission have differences as to rates," Mr. Fitzhugh said.

Personnel, executive ability and other factors determine an industry's site, Mr. Lynch said. Mr. Fitzhugh asked whether the Tennessee river valley had suitable personnel prior to the TVA development. Chemical plants had competent men, Mr. Lynch said.

Power Cost Estimated At 3 1-2 Mills.

The A. P. and L. has made no schedule of rates for which it would serve industry after the proposed steam plant operates, he said. An estimated cost (to the company) of three to 3 1-2 mills per kilowatt hour is not the basis on which the rates would be figured. The customer would pay "something in excess of that," which does not make allowances for taxes and maintenance, Mr. Lynch testified.

"This doesn't mean a great big cut everywhere," he said. Most of the power, he said, would be coming from the present sources.

The three to 3 1-2 mill estimate, based on a 15-year amortization at five per cent interest, is "considerably under" the generation cost at

Sterlington, La., Mr. Lynch said. The largest A. P. and L. consumer, the Kraft paper mill at Camden, buys 8,500 kilowatts a year and has its own 2,500-kilowatt machine. The rate averages about 7 1-2 mills per kilowatt hour.

Mr. Lynch said 3.1 mills is the A. P. and L.'s cheapest cost of power bought from TVA. Generally, it is higher.

Reynolds Metals, which would have used 186,000,000 kilowatt hours a year, "managed to get TVA rates edged off a little," Mr. Lynch said. Mr. Reynolds had other reasons besides the power situation for not locating in Arkansas, the utility executive believed. "I think there's very little question that we can build that plant and use that gas to a better advantage than anyone else," Mr. Lynch said.

Location Near McKamie Field Proposed.

The location, which probably will be "very close" to the McKamie sour gas field, has not been selected, Mr. Lynch said. The A. P. & L. has a "verbal contract" setting forth top prices with the Standard Oil Company (of New Jersey). Standard controls the Carter Oil Company, which has "some" wells. There has been some discussion about getting gas from the Big Creek field.

Mr. Lynch said the oil company promised to supply 10,000,000 cubic feet of gas daily at three cents per 1,000 cubic feet for five years. This would be the cost at the field. The A. P. & L. wants to avoid building a gas transmission line.

"Doesn't expansion seem probable? Wouldn't additional capacity be desirable?" asked Chairman Carter.

"That would be a very happy thing to have," Mr. Lynch replied. A problem of business judgment is involved, he said. The company must be careful to obtain loads, preferably permanent, as it increases capacity.

Mr. Lynch said the Arkansas, Louisiana, Mississippi and New Orleans power systems will enlarge properties when an additional need is "positively indicated."

Commission Interested In Used Generator.

The possibility of purchasing the old generator is a matter in which the commission is "greatly interested," Mr. Carter said. The commission will introduce testimony about the generators, after which the power company can present testimony. Mr. Lynch, somewhat uncertain while being questioned about them, has not personally inspected the machinery, Mr. Moses said. Engineers recommended that the new unit be used, the lawyer said.

Questions by P. A. Lasley, commission lawyer, "indicate the commission might recommend the old generator," Mr. Moses said.

"I'm sorry you think they indicated it," Mr. Lasley said. "We simply want to know what is best for the public interest," said Mr. Carter.

Mr. Lynch said he would rather present "something worked out," rather than try to make estimates while "under duress" on the witness stand.

"We don't want you to be under duress," Mr. Carter smiled.

Connection to Empire System Unlikely.

Mr. Lynch said that the company probably would not build a proposed 60-mile extension of its Batesville-Norfolk line to connect with the Empire system at Forsythe, Mo., if the steam plant were now available.

He estimated contracts could be made with Empire in five or six months, and a similar time would be required for making the improvements, connecting the systems in 10 to 12 months.

The application does not say much about the extension, Mr. Carter commented. Pending contracts, there is no necessity for immediate action by the Public Utilities Department, on that part of the request, he said.

No Power Shortage, Mr. Lynch Declares.

On redirect examination by Mr. Moses, the A. P. & L. executive said there is no shortage of power in Arkansas, there is adequate power for all needs at cheap rates, and the surplus and reserve capacity, "considerably in excess of 50,000 kilowatts," is three times the amount used by Little Rock. It is seven or eight times the amount used by the largest industry in the "ALMNO" system, and

as much as is used by Arkansas's 20 largest industries.

"To be sure there is no shortage, we are ready to erect 30,000 additional kilowatt capacity. If any unforeseen emergency arises, we will erect still other plants, if we cannot secure the power more cheaply by interconnection. * * * Our company will give rates comparable with those anywhere in this Southwestern territory, except subsidized rates. We cannot pay 18 per cent of our gross in taxes (and it now looks like in the future we will pay 25 per cent or more gross in taxes, and 50 per cent of our net, or more, in taxes), and then meet the competition of government subsidized plants."

Financial Status of Company Analyzed.

The Chase National bank and Dillon, Read & Co., New York, gave assurance they would assist the A. P. and L. financially, if such is necessary in building the plant, Mr. Lynch said.

It would be possible for the company to use cash and depreciation surpluses in financing the construction, as the company has indicated, but it would be "adverse" insofar as the credit of the A. P. and L. is concerned, the FPC bureau chief wrote.

His report, requested by the state commission, was based on a financial statement as of last December 31, listing \$3,504,000 cash assets and \$2,322,000 liabilities of the utility.

Mr. Moses said the FPC man was fair enough to comment that his data had been "scant" and his forecast not thorough.

A March 31 balance sheet shows approximately \$2,037,000 cash on hand, more than half the amount needed for the plant, Mr. Lynch said. Present cash and the money available in the next two years would be sufficient, he said.

J. L. Bodie of Pine Bluff, A. P. and L. treasurer, testified he had "no doubt" that the company could pay for the plant by the time it is completed.

It could be done without crippling operations, from a cash standpoint, he said. The company's last bond issue (\$2,000,000) was made in July, 1931, except for REA bonds, of which \$506,000 are outstanding.

Mr. Lasley said that when the \$350,000 rate reduction was discussed at a conference, a few days ago, company spokesmen claimed the reduction probably would cause a default on preferred stock dividends. He asked how this statement could be reconciled with the company's contention that it could spend \$1,000,000 a year for the new plant.

Mr. Bodie said money spent on the plant would continue to be classified as assets, whereas the \$350,000 rate reduction would be charged off as a loss.

He said he was convinced that borrowing money, foregoing additions and defaulting on the stock would not be necessary.

Commission Engineer Reports on Capacity.

J. E. Flanders, chief engineer for the commission and a commission witness introduced an analysis of the net available capacity and peak loads of the interconnected systems. The report gave the assured capacity as 377,500 kilowatts, compared to 382,000 estimated by the company. The former figure included 49,500 kilowatts as estimated reserve capacity, of which 15,000 would be available only two weeks.

J. H. Hand of Yellville, not a sworn witness, told the commission that the north Arkansas zinc and lead district could support a smelter producing 25,000 tons of slab zinc a year. Production of 10,000 tons of primary zinc a year would mean employment for 500 persons and a saving of \$5 per ton for producers, on transportation, he said.

Mr. Hand favored granting the A. P. and L. request for the Norfolk extension. He represented the Ozark Mine Owners League, members of which are interested in 900 square miles of ore country in Marion, Baxter, Searcy, Boone and Newton counties.

Mr. Flanders is expected to return to the stand when the hearing is resumed at 9 a. m. today.

A. P. AND L. GETS PERMIT TO BUILD SOUR GAS UNIT

Commission Favors More Capacity.

Gazette 5-16-41

Authority to spend \$3,000,000 to construct a 30,000-kilowatt steam power plant in the Southwest Arkansas "sour gas" fields was granted to the Arkansas Power and Light Company by the state Utilities Commission at the conclusion of a four-day hearing yesterday. The commission also granted a conditional permit to extend the company's Batesville-Norfolk Dam high voltage transmission line from Norfolk to interconnect with the Empire District Electric Company system in southern Missouri. The cost was estimated at \$500,000. An application for authority to construct the proposed Blakely Mountain Dam on the Ouachita river near Hot Springs, estimated to cost \$6,500,000, was deferred for future action. The commission expressed doubt that it had jurisdiction to pass on this request.

Commission Says More Capacity Desirable.

Commenting on the permit to build the steam plant near the McKamie "sour gas" field in Lafayette county, the commission's order said the proposed plant "does not offer as much capacity as the department thinks desirable nor is the proposed date of completion as early as the department considers desirable."

"It is found that public convenience and necessity require and will require the construction and operation of such a plant at the earliest possible date, and also requires the addition of additional generating units in said plant as fast as economic conditions may warrant," the order said.

"With reference to the capacity of the proposed plant, the department recognizes that this is a matter within the realm of business management and the facts are not so clear as to justify it in attempting to substitute its judgment for that of the management of the company, but it does believe that it is justified in expressing, and it does express, its opinion that further generating capacity over and above the proposed 30,000 kilowatts will be highly desirable as early a date as possible.

"With respect to the proposed date of completion, the management of the company has expressed to the department its intention to do everything in its power to secure earlier delivery of the necessary machinery. The department believes the company will be serving the best interest of the public if it does exert every effort to such end and does succeed in completing this plant and putting it in operation at an earlier date than that proposed in its application."

Power Production May Begin in February '43.

Company officials said while the plant itself could be completed in about 14 months, delivery on a 30,000-kilowatt turbo-generator which has been bought from the General Electric Company cannot be had for an additional six months. They said production of power probably can begin in February, 1943.

The site of the plant has not been selected but company officials indicated it probably will be located near the edge of McKamie field in the vicinity of Stamps, where an ample water supply is available.

Purchase Contract With Empire to Be Filed.

The commission conditioned its permit to interconnect with the Empire District Electric Company in the vicinity of Forsythe dam in southern Missouri upon a provision requiring the company to file within 120 days evidence that proper purchase arrangements have been made with the Missouri utility.

"From such information as is available it appears that there is surplus power available in the Empire District system and that the construction of this line is probably the best opportunity for obtaining additional power in the near future," the order said.

"However, no definite contracts have yet been negotiated between the applicant and the power companies in southwest Missouri and the granting of this certificate should be conditioned upon the applicant's filing not later than 120 days evidence that proper contrac-

tural arrangements have been made to secure power over this extension, such contracts to be subject to the approval of this department."

C. S. Lynch, executive vice president of the A. P. & L., said the 60-mile extension from Norfolk to Forsythe could be built in about four months, but negotiations for a contract probably would require about five months.

Jurisdiction Doubtful In Blakely Dam Case.

Referring to its decision to defer action on the Blakely mountain dam proposal, the commission pointed out indirectly that the Federal Power Commission notified the A. P. & L. last week that it had terminated, effective June 1, the utility's license to build the dam. Company officials expressed belief that the F. P. C. could be persuaded to change its mind with the co-operation of the Utilities Commission.

"The department is in doubt as to whether it has any jurisdiction to grant the application," the order said. "Applicant's license from the Federal Power Commission is not yet terminated and, while it is still in effect, we do not believe that we have any jurisdiction to act."

"After the expiration of the federal license we are still in doubt as to whether the required permit from the state should be secured from this department or the Corporation Commission. In view of the fact that we apparently have no jurisdiction at this time we do not believe any action should be taken upon this application.

"We desire to state, however, that this department, after a thorough consideration of the matter, believes that it should stand ready to co-operate with the Arkansas Power and Light Company in any practical or feasible plan for the early construction of the Blakely dam and power plant."

Statement by Mr. Moses Read to Commission.

The following statement by Mr. Moses was read to the Utility Commission at the close of the hearing:

"The statement by officials during the past few years that there is a shortage of power in this territory has done the state untold damage. Statements to this effect, although unsupported and based on false assumption, create the wrong impression. It is bad psychology and worse salesmanship. This commission should help the utilities of our state to correct this erroneous impression.

"The Arkansas Power and Light Company officials have all along insisted that there is no shortage of power—that they had sufficient in reserve to take care of any reasonable load that would occur. No one has asked for power that did not get it. Various concerns have been offered large blocks of power during the past year and at very reasonable rates.

"The proof in this hearing is uncontradicted that our company can meet the rates of any state in this Southwestern territory, except those subsidized by the federal government. Our rates are just as cheap as the large power rates in Texas, or Louisiana, or Mississippi, or Oklahoma, or Missouri, or Alabama, or the other states of this territory. I do wish we could impress upon the public mind that we have an adequate supply of power, and at cheap and competitive rates. Your voice can help us. I suggest you have an opportunity to help our state.

"The testimony here shows that the highest peak yet experienced by these systems is 283,000 kilowatts, and at that hour we had a surplus and reserve capacity of 95,000 kilowatts. This is more than six times all the power used for all purposes in Little Rock and surrounding territory.

"C. S. Lynch, our executive vice president, was in charge of construction at Rammel and Carpenter dams, and at Sterlington, La. He has studied and been in control in the generation of these systems for more than 15 years, and we naturally follow his judgment in these matters.

"Camp Robinson spent about \$17,000,000 building a camp, and this surplus power is 40 times that being used by all the Camp Robinson area. This surplus power is 10 times that required by the largest consumer in any of these four systems.

Company Ready To Utilize Cheap Fuel.

"It now appears that the new gas fields in southwest Arkansas will probably afford the cheapest sup-

ply for fuel in all the Southwest. Our company is ready to utilize that cheap supply of fuel and pass the savings on to the consumers. Without exception throughout our history, every time we have found a cheaper source of power, the saving has been passed on. This was true when we built the hydro plants. It was true when we built Sterlington. It was true when we made the TVA contract. There has been a rate reduction put into effect every year since the tie-up of these three systems in 1926, except in the years 1929 and 1937. We continued to make rate reduction even during the depression days. What other commodity used in the American home that has decreased in price in the past few years?

"Apparently the time has come for further expansion by our companies. The Arkansas Power and Light Company is ready to start today the construction of an enormous modern steam station in the gas fields. It is willing to extend its transmission lines to connect with the Empire District in Missouri, to which the Grand River Dam is connected.

"Then, when this new steam plant is finished, and we are not then in the throes of another depression, it is ready to complete Blakely Dam, and thereby Harvey C. Couch will see his dream of a fully developed Ouachita river a reality."

Power Firm Asks FPC For New Hearing

Special to the Gazette. 5-24-41

Pine Bluff, May 23.—C. S. Lynch, executive vice president of the Arkansas Power and Light Company, said tonight the company has filed application for rehearing by the Federal Power Commission of its request for an extension of time to construct the Blakely mountain dam on the Ouachita river. The license was terminated by the FPC May 3, when the power company sought an extension of its license for the dam so it could be completed in December, 1946.

Applicant's Contentions.

In its application for rehearing of the order revoking the license June 1 the power company contended:

1. The utility has in good faith diligently fulfilled all license requirements.
2. It is not in the public interest to terminate the Blakely development because "Almost everyone in the area seems to want the applicant company to construct the dam."
3. The power company has the only suitable market available for power of the type which can be generated at the dam, therefore, the dam can be operated most effectively and economically by the Arkansas Power and Light Company.
4. The commission's order terminating the license is directly contrary to the findings of Congress, which authorized up to \$2,000,000 toward the cost of the dam for flood control purposes.

Declares Plans Lacking.

Pointing out that Blakely dam is the last of three dams which comprise a comprehensive project, on which more than \$10,000,000 has been spent by the power company in completing the first two dams (Carpenter and Rammel), and more than \$1,600,000 has been spent on Blakely dam, the application says that "Applicant was prevented from completing the Blakely development in accordance with terms of the license because of failure of the commission and the corps of engineers to approve plans and specifications for the dam and power house." This failure, however, is said to have been "wise and in the public interest."

Setting out that the state Department of Public Utilities has granted a certificate of convenience and necessity for the power company to erect a generating plant in the "sour gas" fields, the application calls attention to the following paragraph in the department's order:

"We desire to state that the department (Arkansas), after a thorough consideration of the matter, believes that it should stand ready to co-operate with the Arkansas Power and Light Company in any practical or feasible plan for the early construction of Blakely dam and power plant."

Would Conclude Program.

Completion of the Blakely dam in 1946 is proposed by the Arkansas Power and Light Company as the final phase of a \$10,000,000 six-

year development program which embraces construction of the \$3,000,000 engineering plant in the "sour gas" fields, and construction of a high tension transmission line north from Norfolk to the Missouri state boundary to connect with the Empire District Electric Company's system.

ELLIS CRITICAL OF POWER RATE PAID IN STATE

Postmasters Hear Congressman.

Gazette 5-25-41

The main reason Arkansas "stands out as the No. 1 state of undeveloped potentialities" in a South which "is economically though involuntarily the nation's No. 1 tragedy of errors" is high electric power rates, Representative Clyde T. Ellis of Bentonville told the Arkansas Branch of the National League of District Postmasters in convention at Hotel Marion yesterday.

"To give you an example of what I mean," the Third district congressman and proponent of the proposed Arkansas Valley Authority development said, "the average cost of electricity to the consumer of Arkansas as of January 1, 1941, was \$1.87 per 25 kilowatt-hours and \$4.58 per 100 kilowatt-hours. Just across the river to our east is Tupelo, Miss., a typical TVA town. Its rates on that same date were 75 cents for 25 kilowatt-hours and \$2.25 per 100 kilowatt-hours.

"The rates in the Pacific Northwest and in the Ontario country are even lower than those in the TVA. It is not so much a question of whether our rates are too high as it is a question of whether we can compete against rates in adjoining states that are only half as high as ours.

Says Should Have Had Aluminum Plant.

"We would definitely have had in Arkansas today, for instance, the aluminum plant that went to Sheffield, Ala., so it could use TVA rates if only we could have furnished adequate power at comparative prices. I read you here a letter from the president of the Reynolds Aluminum Company, dated February 21, saying that he is interested in coming to Arkansas, 'but of course, the power question is the deterrent.'"

Mr. Ellis urged that developments similar to Norfolk dam in Baxter county, cornerstone for which was laid Thursday, be made in south Arkansas and along the tributaries of the Red river. "Ultimately all these projects must be tied together for interstate control and regulation and development. I predict that the coming of the Norfolk project, Arkansas's first great defense industry and its first dual-purpose dam, marks the turning point of the economic history of Arkansas and the beginning of a new and prosperous era."

High power rates have prevented industry from locating in Arkansas, making the people depend too greatly upon the farm, Mr. Ellis said. He said 60 per cent of Arkansans rely solely upon the farm while in the nation at large only 20 per cent do so, and the per capita income is \$244 a year compared with \$536 in the nation at large.

"We have the cheap fuel, we have the minerals, we have the agricultural products, we have the manpower, we have the transformation facilities, and yet our minerals are undeveloped, much of our manpower is idle and we are not a full fledged member of the Union economically. We have unlimited quantities of cheap gas, of oil and of coal and 2,000,000,000 kilowatt-hours of economically feasible hydro-electric production annually; we have most of the nation's bauxite, sizeable quantities of its mercury, lead, zinc, manganese, phosphate and other minerals vital to the defense and to industrial development and we have an abundance of forest production."

Congressman Ellis said the second barrier in Arkansas's industrial development is "the high discriminatory freight rates that have been built up against the South and Southwest." He added, "We are making some headway toward the

elimination of this barrier, but the progress is slow and the fight will be long."

Efficiency of Postal Service Commended.

Congressman Ellis told the postmasters "the United States postal service is not only the biggest and most efficient business and public utility on earth but it is also the outstanding example of democracy at work in the service of mankind. It was established * * * because the task to be done, as had long been recognized by the colonies, was too huge to be undertaken by private enterprise or because private enterprise was not rendering proper service at reasonable rates. That should always be the test."

He said universal postal service, free mail delivery in cities, rural free delivery and air mail service had all been criticized as "Socialism" or as being "ridiculous" when first started.

"Thus, through the postal service has come another great forward step in the life of the most progressive nation. That is democracy at work. It serves as a guide-post for other steps that soon must be taken in instances where private enterprise either can not or does not render a service which science and social progress have made possible and desirable."

Postal Inspector Conducts School.

W. L. Noah, postal inspector in charge at St. Louis, Mo., presided at a school of instruction for the postmasters at the closing morning session. The program also included: An invocation by the Rev. Howard Nabors of Chidester; a report of the national convention by Miss Harriet Shrigley of Coal Hill; a vocal duet by Miss Selma Porbeck and Frank Ashcraft of Little Rock; a memorial service led by Mr. Nabors, and a business session.

The group adopted resolutions favoring passage of legislation pending in Congress which would affect third and fourth class postmasters. Included among the bills favored were those providing straight salaries for fourth class postmasters and providing government ownership of equipment in third class offices.

Place for the 1942 convention was left with the Executive Committee and the date will be set by the National League. A total of 175 postmasters and guests registered at the convention and more than 200 attended sessions of the two-day meeting. The secretary reported membership in the state organization was 614.

ADKINS STATES ULTIMATUM IN POWER SUPPLY

Threatens to Call Legislature.

Gazette 5-25-41

Governor Adkins said yesterday he will call the legislature in special session "to take necessary steps" if private utilities do not provide an additional 100,000 kilowatts of electric power at once for national defense purposes.

His statement was in the form of an ultimatum and indicated the governor is prepared to place the state in the power business if necessary to "assure the various governmental agencies that power would be available if and when plants were located and ready to operate in Arkansas."

The executive issued the statement from Chattanooga, Tenn., where he and Mrs. Adkins have been attending a convention of the World's Fundamental Association, an organization founded by William Jennings Bryan 22 years ago.

Mr. Adkins announced he will call a conference when he returns about May 30 of officials representing the Arkansas Power and Light Company, Southwestern Gas and Electric Company, Oklahoma Gas and Electric Company, Arkansas-Missouri Power Company, state Utilities Commission and Arkansas Oil and Gas Commission.

It was inferred that he will repeat his warning at this meeting.

Future Development Dependent on Power.

Saying he was "very much en-

couraged" while in Washington last week, over the prospect of obtaining defense industries for Arkansas and the proposed new army camp at Barling, near Fort Smith, the governor said:

"Officials of the War Department, Office of Production Management, Reconstruction Finance Corporation and several aluminum companies convinced me that our future development revolves around the power question."

He made the pointed statement that he proposes to "seek the truth about the availability of power, the quantity, the rate and all phases that would enable Arkansas to secure industries."

"If satisfactory arrangements cannot be worked out at once to provide an ample power supply, I will take steps to have the state assure the various governmental agencies that power would be available if and when plants were located and ready to operate in Arkansas," the governor said.

"I would prefer that private utilities take the lead, but if for any reason they could not or would not agree to secure the additional 100,000 kilowatts when needed, I will take whatever steps are necessary to assure governmental officials of ample power for defense purposes."

Suggestions Offered For Speedy Action.

Governor Adkins offered the following recommendations or suggestions under which he believes additional power may be obtained quickly:

1. A 45,000-kw. generator, while probably a little obsolete, is available at Detroit. It could be purchased and placed in service quickly, he said.
2. Power lines could be constructed from eastern Oklahoma, southern Missouri and northern Louisiana systems to supplement the Arkansas supply, the governor said, adding that while in Washington he was informed that: "We must produce proof of ample power before we can receive much consideration." The governor said he "does not propose to see Arkansas suffer and lose its opportunity," and will "take whatever steps are necessary to produce the desired results, even to calling a special session of the legislature."

War Nearer Than Believed Generally, Adkins Thinks.

Digressing at the close of his prepared statement, the governor ventured the prediction that the United States is "nearer war than anyone in Arkansas or the Mid-West realizes."

"It is serious and the American people need to know the truth," he said. "We need to prepare and sacrifice."

"This is a struggle for Christianity and civilization. The question of saving democracy has been worn threadbare. It is beyond that stage. We need to get down to bed rock. We need to stamp out every kind of 'ism' contrary to our government, including Nazism, Communism, Fascism—but maintain Americanism, patriotism and Christianity."

Let's Have the Power Facts, Whatever They Are

The question whether Arkansas has a sufficient supply of electric power to satisfy the requirements of new industries is bound to be confusing to the people of the state because conflicting statements made on this subject have not been reconciled.

Vice President C. S. Lynch of the Arkansas Power and Light Company says in sum that his company is prepared to take care of all existing demands and all new demands that can reasonably be anticipated.

Governor Adkins on the other hand says in brief that lack of generating capacity available for immediate service is standing in Arkansas's way as new industrial plants are built for purposes of national defense.

At hearings before the state Utility Commission, Mr. Lynch testified that the highest peak load ever placed on the A. P. & L. system amounted to 283,000 kilowatts, and there were then 95,000 kilowatts of generating capacity in reserve, equivalent to six times all the power normally used in the Greater Little Rock area.

After conferences with defense officials at Washington, Governor Adkins says that if Arkansas is to be in the running for defense industrial expansion an additional 100,000 kilowatts of power must be made available either by private utility com-

panies or by the state.

To speak of hundreds of thousands of kilowatts is to get over the heads of laymen in electricity. But as a basis for comparison it may be noted that the generating capacity of the Little Rock steam plant is 23,000 kilowatts, of which 15,000 kilowatts would suffice to provide for present consumption. The largest industrial customer of the power company, the big Camden paper mill, uses about 11,000 kilowatts.

The power question is further complicated at this time by a shortage in the Southeastern states that is caused by drought. In Georgia old and more or less obsolete steam plants are being put back into service, and the public is even being asked to cooperate by economizing in the consumption of current. To relieve this situation, which is temporary, a South-wide power pool has been formed to which the Arkansas Power and Light Company is contributing power not needed to serve this state.

Governor Adkins proposes, in his own words, "to seek the truth" about the availability of power and all other phases of the question as they affect the obtaining of industries. Certainly the facts are what the public wants and needs, no matter whether it may be found that Arkansas has more than a sufficient supply of electric power or is in need of additional capacity.

OPM Favors Funds for Co-op Power Lines in Arkansas

Washington, May 29 (P).—Senator Spencer (Dem., Ark.) said today William S. Knudsen had endorsed a suggestion that \$200,000 of national defense funds be allocated to permit immediate construction of 800 miles of co-operatively owned electric transmission lines in Kansas, Missouri, Arkansas and Oklahoma.

Senator Spencer made public a letter from the Office of Production Management official approving the suggestion.

'SOUR GAS' CAN AID ALUMINUM, OFFICIALS SAY

Adkins Will Report On Surveys.

Gazette 6-15-41

Governor Adkins and Chairman R. E. Overman of the state Flood Control Commission called on private utilities and the federal government yesterday to use "sour gas" in south Arkansas to increase power for the production of aluminum.

Neither would comment on a congressional bill to appropriate \$40,000,000 for construction of additional dams on the Hiwasse river for the Tennessee Valley Authority. The measure was passed by the House last week.

They declined to express their views on a suggestion that the government might obtain increased power faster for production of aluminum for bombing planes by installing steam plants in Arkansas than by the slower construction of large hydro-electric dams.

Governor Will Report To Washington on Surveys.

But Governor Adkins said he will leave for Washington Friday night with representatives of two engineering firms which have completed surveys of the "sour gas" fields, with a member of the state Utilities Commission and officials of private utilities that serve Arkansas.

"We're going to show reports of the surveys to every government official who has anything to do with selection of sites for defense industries," the governor said. "We will show how cheaply the gas can be piped to Camden, Pine Bluff or any other city chosen for an industry, such as an aluminum plant. This gas can be sold for six cents per 1,000 cubic feet.

"Federal officials will be given proof that, if power is needed in a hurry for any purpose, power will be available. We already have the promise of a private utility pool of about 60,000 to 90,000 kilowatts for use of new plants. Our unlimited gas supplies should convince the government that we can make good our promises."

The governor said the Arkansas Power and Light Company has agreed to install a second 30,000-kilowatt plant in the "sour gas" fields if the additional power is needed in Arkansas.

"I talked today to Washington officials who discussed the location of an industry requiring 36,000 kilowatts," he said. "I telegraphed that we have the power."

The proposed six-cent rate compares to a low of about eight cents offered to certain large consumers of gas now. Governor Adkins suggested that gas at six cents might persuade large industries to install their own power generating plants.

F.P.C. Report Says More Power Needed.

Mr. Overman, pointing to a report of power supplies for 1941-42 issued by the Federal Power Commission yesterday, intimated that needed energy should be produced with cheap gas in a relatively short period rather than wait until costly dams are constructed on the TVA system.

The F. P. C. report estimated the nation will face a shortage of 1,600,000 kilowatts in 1942, which was 100,000 more than the prediction made by that agency to President Roosevelt several months ago, Mr. Overman said. The commission chairman quoted the F. P. C. as saying the areas "where the greatest need is likely to develop are Arkansas, north Louisiana and west Mississippi."

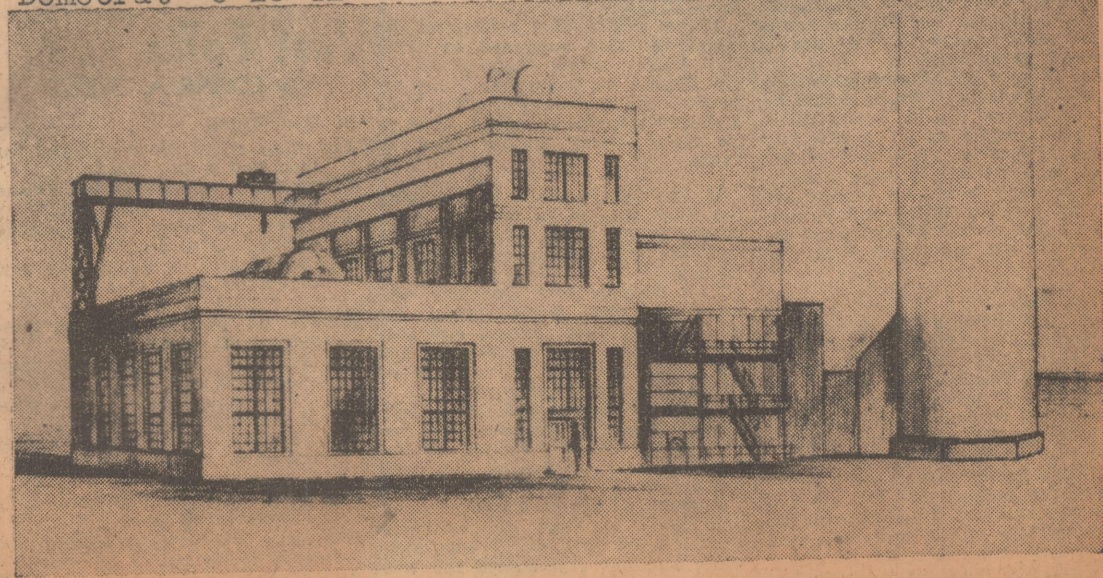
Yesterday's F. P. C. report summarized findings at a series of regional meetings attended by representatives of utilities, state commissioners and industrialists. A. B. Hill, member of the Arkansas Utilities Commission, attended the regional conference at Atlanta two weeks ago.

Power for Several Industries Like Camden Paper Mill Promised From 'Sour Gas' Plant in South Arkansas

Something entirely new in the way of power plant construction for Arkansas will become a reality when the Arkansas Power and Light Company builds its new \$3,000,000 generating station with its initial 30,000 kilowatt

New Power Plant for South Arkansas

Democrat 6-15-41



Architect's sketch of \$3,000,000 steam-operated electric generating plant with 30,000 kilowatts capacity planned for South Arkansas "Sour Gas" fields by the Arkansas Power and Light Company

capacity in the "sour gas" fields of South Arkansas.

Known in engineering circles as the "open air" type station, it will have both boilers and turbo-generator out of the building.

This type of station eliminates costly and unnecessary construction expense and investment. Both boilers and turbo-generator are being so constructed that they will be protected from the elements by metal covers.

Most impressive feature of the new plant will be the towering smokestack, which will read itself 400 feet into the air in order to carry products of combustion well above the ground and obviate stack-discharge nuisance or damage.

Basis fuel for the plant will be obtained from natural gas wells in the "sour gas" fields. These fields have been explored by oil companies and estimates by the Oil and Gas Commission place the reserves at around 800,000,000 cubic feet.

The "sour gas" runs about 980 British Thermal Units of heat per cubic foot. In addition, it carries about six to seven per cent by volume of hydrogen sulfide, which is the equivalent of between 10 and 12 per cent of sulphur by weight.

Could Use Other Fuel.

For ordinary utilization the gas must be "sweetened," that is, a large portion of the hydrogen sulfide removed. Arrangements have been made for the establishment of one or more "sweetening" plants in the gas fields.

Through the use of the high smokestack it will not be necessary to "sweeten" the gas as much for use in the generating plant as it would have to be "sweetened" if used in commercial processes and in the home.

However, in planning the investment of \$3,000,000 in the generating plant, more thought than to the supply of "sour gas" was given to the project. Should the available natural gas become exhausted, or diverted to other purposes and markets, or rise materially in price, bituminous slack or screenings from coal mined in the western part of the state will be available at a relatively low cost for fuel.

Another important potential source of low cost fuel is lignite, which, although not yet commercially developed in Arkansas, is known to occur at a number of locations in the state and in particular not far from the site of the proposed generating station.

The initial generator to be installed in the powerhouse will produce 30,000 kilowatts of current at 13,800 volts. This voltage will be stepped up by transformers to 110,000 volts for transmission.

Plans Allow for Expansion.

The building housing the turbo-generator and deaerator will be 80 feet wide and 78 feet deep. Boilers will be located in a structure adjoining and behind this building, with an outlet leading into the tall smokestack.

The powerhouse will be so constructed that a second unit can be installed in a similar building with an outlet leading into the smokestack on the opposite side from the first.

Because of absence of streams carrying adequate year-round flow for direct condensing in the area where the plant is contemplated, the station's condensing water will be cooled by forced draft cooling towers.

In its application for permission to construct the plant, the Arkansas Power and Light Company pointed out to the State Department of Public Utilities that the fuel supply proposed is of more than ordinary interest. The application stated:

"It is intended that an otherwise comparatively useless resource (sour or high sulphur content natural gas) will be utilized in an integrated program with interested co-operating agencies so that:

"1. Valuable distillate reserves can be recovered.

"2. The sour gas partially sweetened by chemical processes to the extent necessary will be used as fuel at the site, and

"3. Some of the gas constituents which make it unavailable for pipe line transmission will be recovered in the sweetening process for commercial chemical use."

An interesting feature of the new plant will be the high load factor it can be operated on. With the natural gas for fuel, it will be possible to operate the plant continually, except for the small time it will have to be shut down for periodic checking and overhauling.

Should the plant run continually for a year, it could produce 262,800,000 kilowatt-hours of electricity. If it had to be closed down five per cent of this time for overhauling, it could produce 249,660,000 kilowatt hours.

Just how much electricity 249,660,000 kilowatt hours is can be realized when it is remembered that the paper mill at Camden, one of the state's largest industries, uses only about 60,000,000 kilowatt hours per year.

The plans for installing this high load factor plant ahead of additional water power units is in line with the principles of recommended policy, officials of the power company point out.

The National Resources Board, in its report of January, 1941, entitled "The Federal Program for National Development," states that "in general, hydro-electric power will supplement steam-electric power, not replace it—power at storage reservoirs being best suited in general to carrying high peak loads of short duration."

Ark-La Co-Op Plans to Build Generating Plant.

Gazette 6-24-41

In organizing the Ark-La co-operative two weeks ago, officials of six north Louisiana and four south Arkansas co-operatives made plans for a \$1,000,000 "sour gas" generating plant in the South Arkansas field to serve member "co-ops." The plant originally proposed would generate 10,000 kilowatts of power. A larger plant could be built if needed.

The Ark-La "co-op" has not acquired any property. It would finance its plant through the REA. Arkansas member of the Ark-La "co-op" are the Southwest Arkansas, Ouachita, Cleveland and Lincoln and Clark county co-operatives.

ENGINEERS FOR CONVERSION OF NORFORK DAM

Favor Additional \$13,500,000.

Gazette 6-26-41

Washington, June 25 (AP).—Army engineers recommended to Congress today expenditure of an additional \$13,500,000 to convert the Norfolk dam flood control project on the Norfolk river in Baxter county, Arkansas, into a dual purpose power-flood control development.

The dam would have 1,983,000 acre-feet capacity and an initial power installation of 60,000 kilowatts, with penstocks for an additional 60,000 kilowatts. Total prospective power was estimated at 148,000,000 kilowatt-hours annually. Marketable power was estimated at 138,000,000 kilowatt-hours per year, which the Federal Power Commission said would have a value of \$894,000.

The engineers urged that the project be undertaken immediately.

The Norfolk dam is a part of the White River Basin flood control program for which Congress previously authorized expenditure of \$25,000,000.

Huge Blast Set Off At Norfolk Dam

Special to the Gazette. 7-20-41

Ellis, July 19.—Six thousand pounds of powder in one big blast tore 30,000 tons of rock out of the quarry, about a mile above the Norfolk dam, yesterday. This was the first big shot fired at the quarry. The stone will be used for aggregate in the concrete work on the dam.

Eighty-six drill holes from eight to 30 feet deep carried the powder. The big shot was heard at Mountain Home, 11 miles away.

Work Progresses Rapidly.
Work on the dam has been progressing rapidly since it started in April. Approximately 680,000 cubic yards of rock and earth excavation is necessary to prepare the abutment footings for the concrete foundation. About 280,000 cubic feet has been excavated.

The diversion channel under the big bluff on the east side of the river has been completed, and the river routed through it. This was done by huge cofferdams, or dykes, thrown across the main channel just above the axis, which forced the water into the new channel. Pumping is in progress in the main channel. When the water is pumped clear, excavation work will start on the footings for the foundation. The river will be diverted three times in making the footing excavations necessary to laying the foundation. When the stream is allowed to get back into its old course, it will flow through conduits built in the concrete, just above the foundation of the dam, laid while the river was diverted into temporary channels.

To Pour Concrete September 15.
Bernard Williams, project manager, said that concrete pouring will begin about September 15. When this starts the number of men employed will be increased. Gravel used in the concrete aggregate will be taken from gravel bars on White river, between Buffalo and Herron, about 18 miles away. It will be hauled to the dam by the Missouri Pacific railroad, which runs along the White river. Clearing for the spur from the main line of the Missouri Pacific to the gravel bar on White river, at Herron, is under way. Other spurs from the main spur at the dam proper also will be constructed soon, including one which will be run to the big warehouse.

Towers to carry the longest cableway ever erected to build a dam are nearing completion. This cableway will carry construction material across the dam axis, and

will have a length between the two main towers of 2,835 feet. The immense rock crushing plant and screening and washing plants for sand and gravel, and the installation of belt conveyors for delivering concrete aggregate to the mixing plant are nearing completion.

OPM DECISION ON POWER PLAN DUE THIS WEEK

A.P. and L. Submits New Proposal.

Gazette 7-20-41

A decision is expected from the Office of Production Management tomorrow, as to whether huge generating plants for electric power in Arkansas will be operated by the Arkansas Power and Light Company in co-operation with other private utilities or by agencies of the Rural Electrification Administration.

The power program has been planned in conjunction with two huge industrial plants: One for producing 400,000,000 pounds of alumina annually and the second for producing 100,000,000 pounds of aluminum annually. The alumina plant would require 3,000 kilowatts and the aluminum plants in excess of 50,000 kilowatts.

The REA program proposes that needed power be supplied from existing facilities and by construction of a 90,000 kilowatt steam-generating station in the "sour gas" fields of south Arkansas by the Kansas-Arkansas-Missouri-Oklahoma REA co-op and by the Ark-La co-op in south Arkansas and north Louisiana. The big plant would cost \$10,000,000.

Power Supply Plan Offered by A. P. and L.

The Arkansas Power and Light Company has proposed: Delivery of 65,000 kilowatts of temporary emergency firm power to the aluminum plant by April 1, 1942, the earliest possible date it is estimated the plant will be ready for operation, at cost of seven and one-half mills per kilowatt-hour.

Installation by the Arkansas Power and Light Company of a 50,000-kilowatt steam-electric generating station in the sour gas fields of south Arkansas in addition to the 30,000 kilowatt station already programmed. Installation by the Louisiana Power and Light Company of a 25,000 kilowatt generating station. Power from these plants would be sold for aluminum production at \$27.50 per kilowatt year or approximately 3.14 mills per kilowatt-hour at 100 per cent load factor. It was estimated the plant will operate at about 90 per cent of load factors, increasing the cost slightly.

Construction and operation without profit of the 50,000 kilowatt steam-electric generating station the government plans to build at the aluminum plant for its permanent operation after the war is ended.

Proposal Explained By Vice President.

C. S. Lynch, executive vice president of the company, said the 30,000 kilowatt plant in the sour gas fields on which work has already begun, was planned to take care of the company's normal load growth. The first 50,000 kilowatt station would be necessary solely to supply the aluminum plant.

He said 65,000 kilowatts of emergency power can be supplied the aluminum plant by building less than 200 miles of interconnecting transmission lines. These would permit the excess capacities in the Arkansas Power and Light Company, Texas Power and Light Company, Texas Public Service Corporation, Southwestern Gas and Electric Company and Empire District Electric systems to be used.

Mr. Lynch said the rate of \$27.50 per kilowatt-year for permanent power supply is a rate based on non-profit to the companies supplying the power and is made solely in the interest of speeding aluminum production for national de-

fense. "Likewise we ask no profit for designing, constructing and operating the 50,000 kilowatt plant the government plans to operate at the aluminum plant after the war is over.

Utility Firm Would Invest \$10,000,000.

"Since we have already planned the investment of \$3,000,000 in a 30,000 kilowatt generating station in the sour gas fields, the additional 50,000 kilowatt capacity we propose to install would make a total investment of nearly \$10,000,000. We would finance all of this investment, thereby eliminating the necessity of diverting tax money from the defense program, where it is so vitally needed for production of defense items. These plants will utilize the new sour gas resources which are being wasted."

Mr. Lynch is in Washington with Kenneth C. Johnson of Pine Bluff, industrial power engineer for the company, and C. Hamilton Moses of Little Rock, general counsel. He said he and Johnson and Moses would remain in Washington, where they have been for the last several weeks, until a final decision is made on the power supply for the aluminum plant.

A. P. L. Power Inadequate, Ellis Says

Gazette 7-20-41

Washington, July 19 (AP).—Representative Ellis (Dem., Ark.) charged today in a statement inserted in the Congressional Record that the Arkansas Power and Light Company is unable to furnish sufficient power for a defense aluminum plant in Arkansas without government help. Ellis said he was told the private utility had offered to furnish ample power for the 100,000,000 of annual aluminum production contemplated for the state, and added:

"Actually what the Arkansas Power and Light Company wants is for the federal government to lend it the money to build new plants and new transmission connections so it can strengthen the clutches of its monopoly" and "furnish power for the aluminum plant at an enormous profit."

Ellis declared the Rural Electrification Administration had proposed to furnish the power for the plant at cost and that the Federal Power Commission had endorsed the REA proposal. He said he was convinced Director William S. Knudsen and J. A. Krug, power division head of the Office of Production Management, would accept the REA proposal in the face of "a power trust blitzkrieg."

OPM ANNOUNCES ESTABLISHMENT OF POWER POOL

Aluminum Plant To Get Electricity.

Gazette 7-22-41

(By the Associated Press.)
Washington, July 21.—Thirteen major power companies in the South and Central West will be included in a vast power pool, establishment of which was announced today by OPM.

The pool, said J. A. Krug, OPM power consultant, was designed to furnish continuous flow of electricity for use, primarily, at an aluminum plant which OPM has recommended be built in Arkansas. The exact location of the plant had not been determined, Krug said.

In addition the pool is expected to furnish power needed for the bomber plane assembly plant in Tulsa, Okla., an ammonium plant expected to be built at Baxter Springs, Kan., a small loading plant at Montana, Kan., and other defense projects already under way or which may be constructed.

The Federal Power Commission announced surplus power of the

companies would be used as far as possible. Many of the major companies in that section already are inter-connected. Interconnecting lines will be built to those which do not now have them, the commission said.

Establishment of a power network in the Northeastern states also is planned, OPM announced.

Krug Heads Power Unit Created by OPM.

OPM also announced the creation of a power unit, headed by J. A. Krug, OPM power consultant. The announcement was made by OPM Directors William S. Knudsen and Sidney Hillman. They said that OPM "is now equipped to handle all defense power problems through a single clearing office."

Giant Power Project Planned at Fontana.

Krug at a press conference that the new interconnecting links would provide 1,000,000 kilowatts. The plant construction program is designed to add 600,000,000 pounds of aluminum annually to the country's defense supply.

Krug said 1,000,000 kilowatts would suffice until new power-producing facilities were brought to completion to handle defense needs.

Krug is on leave from the post of power manager of the Tennessee Valley Authority. He also announced that the Aluminum Corporation of America and the TVA had reached oral agreement on plans for construction of a \$50,000,000 power project at Fontana, on the Little Tennessee river in western North Carolina. This, he said, would be the largest power development east of Boulder dam and Grand Coulee.

Electric Companies Ready To Join Pool.

A power commission official said the law now gives the F. P. C. authority to have power companies deliver electricity that might be necessary for defense purposes. The electric companies all have expressed a willingness to join the pool, the official said.

Companies which Krug and F. P. C. officials said would be included in the pool are:

Nebraska Power Company with lines in Nebraska; Kansas City Power and Light Company with lines in Missouri, Kansas and Iowa; Kansas Gas and Electric Company, and Kansas and Missouri; Empire District Electric Company, Kansas, Missouri and Oklahoma; Grand River Dam Authority, Oklahoma; Public Service Company, Oklahoma; Oklahoma Gas and Electric Company, Oklahoma and Arkansas; Texas Power and Light Company, Texas.

Southwestern Gas and Electric Company, Arkansas; Louisiana and Texas; Arkansas Power and Light Company, Arkansas; Mississippi Power and Light Company, Mississippi; New Orleans Public Service Company, Louisiana and Louisiana Power and Light Company, Louisiana.

OPM to Be Assured Of Ample Gas

Gazette 7-14-41

Additional information giving assurance that Arkansas has an advantage over neighboring states in reserves of cheap fuel for generating power will be presented to defense authorities by H. K. Thatcher, Washington director of the state Agricultural and Industrial Commission, who returned to the capital by plane yesterday.

Mr. Thatcher, who came here Thursday night for conferences with Governor Adkins, said the size of the 100,000,000-pound aluminum plant awarded to Arkansas by the Office of Production Management may be doubled. The plant and two 90,000-kilowatt capacity power plants for operating it would cost approximately \$190,000,000.

Besides south Arkansas's "sour" gas reserves, fuel for defense industries' power can be obtained from other natural gas and the western Arkansas coal fields, Mr. Thatcher said.

Other Plants Sought.

The Agricultural and Industrial Commission's offices here and at Washington are busy with plans for other prospective industries besides the aluminum plant, he said. Locations for the aluminum and power plants have not been announced.

Directors of the state Defense Council's Industrial Resources and Production Division will meet tomorrow to review results of county organization meetings held last week. Plans for completing county industrial surveys were made at district meetings, at which county chairmen and secretaries were elected. Division directors who held the conferences are: Robert P. Hall, Arkansas State Chamber of Commerce secretary-manager and division secretary; Dr. George C. Branner, state geologist, and Alfred M. Lund, area manager for the OPM's Defense Contract Service. E. Smith Reed, industrial engineer of the Agricultural and Industrial Commission and chairman of the division, attended Interstate Commerce Commission freight rate hearings at St. Louis last week. Mr. Reed said a time for tomorrow's meeting has not been set.

REA UNIT PLANS POWER SERVICE TO ALL PLANTS

To Obtain Charter This Week.

Gazette 8-7-41

Announcing that the newly-organized Ark-La Electric Co-operative, Inc., will qualify to do business in Arkansas with Secretary of State C. G. Hall tomorrow, Thomas Fitzhugh, lawyer for the co-operative, outlined the objectives of the organization yesterday.

With a view towards "developing every resource in this section which can be developed feasibly with cheap power," Mr. Fitzhugh said initial plans called for the construction of a 15,000-kilowatt steam power generating plant in north Louisiana to supply power to Rural Electrification Administration co-operatives, to defense industries in south Arkansas and to handle industrial loads which will continue after the emergency.

Ark-La has received an initial allotment from the REA of \$520,000 to start construction of the power plant which, when completed, will be the first large scale generating plant built by REA co-operatives. Location of the plant and the question of whether it will be fueled with "sour" gas or coal, will depend on engineering surveys now being made by a New York firm, Mr. Fitzhugh said.

Practically New Field For Co-operatives.

Except on a small scale in Minnesota, Michigan, and Wisconsin, REA co-operatives do not generate their own power but merely transmit electricity to rural areas. Members of Ark-La have been supplied by the Arkansas Power and Light Company.

Ark-La is making a bid to supply power to the 100,000,000-pound aluminum plant to be placed in Arkansas by the Office of Production Management. A decision by OPM as to the power supplying agency is holding up the announcement of the location, Mr. Fitzhugh said.

Ark-La can supply the aluminum plant at rates comparable to the Tennessee Valley Authority's, Mr. Fitzhugh said. If it is awarded the contract, it will construct a generating plant immediately adjacent to the plant to reduce danger of sabotage and transmission costs, he said. This plant could be connected with the rest of the system to insure adequate service in event of breakdown, he said.

Mr. Fitzhugh said a 120,000-kilowatt plant would be needed to supply the proposed aluminum plant. Permission for its construction would have to be obtained from the state Utilities Commission if OPM awards Ark-La the contract.

To Foster Industries With Peacetime Value.

Ark-La also has plans to develop other industries in south Arkansas and north Louisiana which would have a peacetime value, Mr. Fitzhugh said. Among those mentioned were abrasives (made from bauxite), aluminum fabrication plants, wood, pulp and cellulose products

and plastics. Ark-La is composed of five Arkansas and five Louisiana REA co-operatives. Arkansas members are: Southwest Arkansas REA at Texarkana, the Ouachita REA at Camden, the Cleveland and Lincoln REA at Star City, the South Central REA at Arkadelphia, and the Ashley-Chicot-Union REA at Hamburg.

Blakely Dam Survey Being Made by Army

8-15-41
By B. N. TIMMONS.

(Democrat Washington Bureau.)
Washington—A survey and report on the proposed construction of Blakely Mountain dam on the Ouachita River will probably be completed and ready for submission to Washington by the end of November, Maj. Gen. J. L. Schley, chief of engineers, informed Representative W. F. Norrell today.

This power and flood control project has been pending for many years as a joint development between the federal government and the Arkansas Power and Light Company. This spring the Federal Power Commission revoked the company's license to build the dam, so Norrell, Representative Oren Harris and other interested Arkansians proposed it as a federal project solely.

At their urging, the House Flood Control Committee made the War Department to make a survey of it as such. That survey and investigation is now going on, Schley told Norrell, and should be completed by November 30. At that time it will be submitted to and reviewed by the Board of Engineers for Rivers and Harbors before a recommendation on it can be submitted to Congress.

While the work on it is moving rapidly, it will not be possible to get congressional action on it this year. An effort was made by Senator Hattie W. Caraway to get the project included in the omnibus flood control bill when it reached the Senate, but this was not allowed since the engineers' report had not been made. Such projects are not approved by Congress unless they are approved and recommended by the Corps of Engineers.

Recheck Planned On Blakely Dam.

Gazette 8-16-41

Washington, Aug. 15 (AP).—Army engineers advised Representative Norrell (Dem., Ark.) today that they expected to have a report by November 30 on the proposed Blakely mountain dam on the Ouachita river in Arkansas.

Mr. Norrell, who had asked that a report be expedited, said he was told the investigation was being handled by Brig. Gen. Max C. Tyler, president of the Mississippi River Commission.

The investigation was to determine whether the government should undertake construction of both flood control and power phases of the program. Previously it had been planned that the Arkansas Power and Light Company co-operate in the power part of the development.

U. S. Rushes Survey Of Blakely Dam

Gazette 8-18-41

Washington, Aug. 17 (AP).—Army Engineers are expediting another investigation to determine advisability of constructing the Blakely Mountain dam project on the Ouachita river near Hot Springs, Ark., for flood control and power purposes, Major-General Schley, chief of Army Engineers, wrote Congressman Norrell of Arkansas today.

A review investigation, ordered by Congress in May, has been assigned to Brig. Gen. Max C. Tyler, division engineer of the Lower Mississippi Valley Division and Lt. Col. Samuel D. Sturgis Jr., district engineer at Vicksburg, Miss., and now is in progress, General Schley said.

Reports indicate necessary surveys, subsurface investigations and engineering studies will be completed in time to permit submission of the review report to Schley's office about November 30.

A. P. and L. Once Held Permit To Construct Dam.

Gazette 8-18-41
The Federal Power Commission revoked a license of the Arkansas Power and Light Company to construct the proposed Blakely dam last spring. It refused the A. P. & L.'s request for an extension of time in which to begin construction. The dam would have cost \$7,792,000, including \$2,000,000 contributed by the federal government under the 1938 Flood Control Act. Company officials said the A. P. and L. had invested more than \$1,600,000 in land and plans. They had planned to resume construction in 1944, complete the reservoir in December, 1946, and start operations in July, 1947.

REA WILL BUILD POWER PLANTS FOR ALUMINUM

Agreement Reached, Ellis Says.

Gazette 8-24-41

State and federal officials, abandoning private utilities, have turned to the Rural Electrification Administration for power with which to operate two proposed aluminum plants in Arkansas, Congressman Clyde T. Ellis of Bentonville disclosed yesterday.

Mr. Ellis said Arkansas congressmen and Governor Adkins signed an agreement under which a new corporation directed by REA would build and operate a 120,000-kilowatt power plant to serve the first \$75,000,000 aluminum plant already assigned to the state.

Final approval of the project must await a decision by federal engineers as to whether natural gas will be piped to a power plant to be built near a river, or whether water will be piped to a plant to be constructed near the gas fields, he said.

Agreement Reached At Washington Conference.

Describing a meeting which he said resulted in the decision to accept the REA program, Mr. Ellis said:

"The congressional delegation and Governor Adkins held a conference with Administrator Slattery and other officials of REA at Washington. Mr. Slattery said he was ready to put his cards on the table if we were.

"It was then the REA informed us that the original plan to supplement private utility power with production at the Brazos river and Grand river dams could not be carried out because the REA already had purchased most of that energy.

"Governor Adkins and the delegation discussed the situation after REA officials left the conference room. We agreed to the REA proposal and decided to put it down in black and white. Each congressman and the governor signed a copy of the agreement, realizing there might be repercussions later."

Three-Mill Power Demanded by OPM.

The deciding factor, Congressman Ellis said, was an ultimatum by J. A. Krug, power director of the Office of Production Management, to the effect that Arkansas would lose the aluminum plants unless power could be purchased at three mills per kilowatt hour. Mr. Ellis said REA agreed it could meet this requirement.

Thomas Fitzhugh of Little Rock, former chairman of the state Utilities Commission, attended the REA conference at the suggestion of Administrator Slattery. Mr. Ellis said, adding that Mr. Fitzhugh will incorporate the new operating corporation when the plan has been worked out.

The program as outlined by Mr. Ellis revealed a change in original plans. It was recalled that executives of private utilities were called to Little Rock several months ago to pool their reserves in an effort to furnish power for the project. At that time the program called for only about 75,000 kilowatts.

Returning from Washington last week, Governor Adkins announced that he was not concerned about the manner in which power was provided "just so we get the aluminum plant."

Mr. Ellis said his reference to a second aluminum plant concerned negotiations now under way. He said the OPM and Aluminum Company of America officials are considering the construction of another plant but did not discuss the details.

ELLIS CONTENDS POWER LACKING FOR BIG PLANTS

Moses Says Private Pool Adequate.

Gazette 9-19-41
Arkansas's defense activity brought the following developments concerning power yesterday:

Congressman Clyde T. Ellis of Bentonville said the state may lose two aluminum plants recommended for Arkansas, because of a power shortage. A 100,000,000-pound annual capacity plant has been allocated, a second plant recommended.

The loss would not be caused by a shortage among private power companies, said President C. Hamilton Moses of the Arkansas Power and Light Company. "Right now" the A. P. and L. and other companies in this section are sending large amounts of power to the Tennessee river valley to be used in aluminum production, Mr. Moses said.

A contract has been signed for the "sour gas" supply that will be used in operating the A. P. and L.'s 30,000-kilowatt steam generating plant to be built in south Arkansas, Mr. Moses announced. The company, appealing from a Federal Power Commission order revoking its Blakely dam permit, has asked for permission to start constructing the new Ouachita river dam as soon as the steam plant is completed several months hence.

Power Supply at Low Rates Said to Be Lacking.

Mr. Ellis, who was in Little Rock, said the state's power reserve is 33,000 kilowatts, compared to 120,000 needed for the aluminum industry.

All plants within Arkansas can produce only 153,000 kilowatts, as against a consumption of 450,000 per year, he said.

Mr. Ellis reported the state's congressional delegation, apprehensive over the delay in making plans for the aluminum plants, was doing all it could to save them.

He said that J. A. Krug, Office of Production Management power consultant, had instructed the Arkansans that power must be available at a rate of three mills per kilowatt hour or less. Government officials have expressed concern over the state's ability to supply an adequate amount of power at low rates, he said.

Los Angeles, buying power at 1.6 mills per k. w. h., has offered to sell it for less than three mills, Mr. Ellis said. The Reynolds Metals interests are buying power from Bonneville dam at 1.6 mills, he said. Cleveland, O., is bidding for the industries awarded to Arkansas, Mr. Ellis said.

A 40,000,000-pound aluminum plant awarded to North Carolina was transferred to the Northwest because the former was unable to supply power, he said. The North Carolina recommendation had been made at the time of the 100,000,000-pound plant recommendation for Arkansas.

There is no danger of losing the \$21,000,000 alumina plant awarded to Saline county, because power requirements for such a plant are small, Mr. Ellis said.

Opposing Opinions Held by Defense Heads.

Commenting on the delay of a decision regarding power sources for the Arkansas alumina and aluminum plants, Mr. Ellis said:

"There is a group in the OPM and the R. F. C. which prefers that the power plant be built by the Defense Plant Corporation and operated by the Aluminum Company of America. Another in the OPM and R. F. C. feels that it should be built by the REA. Power companies at the moment are out of it."

Arkansas is "hog-tied" by power rates, Mr. Ellis said.

He said that Maj. Gen. Julian L. Schley, who will retire as chief of army engineers next month, had informed him the engineers are "fully prepared" to start construction of Bull Shoals and Table Rock dams on White river as soon as funds are made available. Work has started on Norfolk dam, for which the full power-generating allocation has not yet been made. The three completed projects would produce 450,000 kilowatts a year, Mr. Ellis said.

Timber survey reports have been submitted to the OPM and War Department, he said, in connection with efforts to obtain a charcoal plant in the Ozark mountains.

Efforts of Private Utilities Reviewed.

Mr. Moses, commenting on Mr. Ellis's charge concerning a power shortage, said:

"Several months ago the private power companies in this territory offered to furnish immediately 65,000 kilowatts of power for emergency operation of the Arkansas aluminum plant, pending installation of permanent power capacity. In addition, the companies offered to install an additional 75,000 kilowatts of generating capacity to be put into operation as soon as it could be installed. This power was offered at \$27.50 per kilowatt year, admittedly less than the price charged by the TVA in its territory.

"The private power companies already have large majority of transmission lines necessary and can shortly fill in the few gaps, which they have offered to do. The private power companies, of course, are not mixed up in the politics of this situation and from the beginning have offered all of their surplus power to the OPM and War Department in order to secure the immediate construction of the aluminum plant in Arkansas.

"If any public agency attempted to install the capacity required for the aluminum plant, it would have to start from the ground up, using public funds that must be repaid by the taxpayers and for which the government would have no security except these 'war baby' power plants.

"It seems to the private companies a hopeless waste of money and materials and manpower to even suggest the duplication of high power lines over the state when our national defense is now crying for these same essential materials in an effort to help Britain.

"The Arkansas Power and Light Company has two representatives in Washington now offering its facilities, and the facilities of neighboring companies to the OPM and War Department. The private companies, already interconnected, are working together and ready to supply the power for the aluminum plants virtually at cost of production.

A. P. and L. Signs Contract For Sour Gas Plant.

"The Arkansas Power and Light Company has had on order since March a 30,000 kilowatt steam-generating plant for the sour gas fields, and has just signed the contract for the necessary gas to operate this plant."

Designs for the steam-operated generating plant, which will cost about \$3,000,000, are nearly complete, Mr. Moses said. Construction will start as soon as details concerning a site are settled. Several sites are being considered. A location may be announced in a few days, Mr. Moses said.

The plant will be of the "outdoor" type. The turbine and boilers will be in the open.

Mr. Moses said that the A. P. and L. has filed an application with the F. P. C. for permission to start building the Blakely mountain flood control-power dam near Hot Springs. The commission revoked the company's permit for the dam several months ago. Blakely dam would cost \$5,792,000, exclusive of \$2,000,000 which the federal government would have contributed. More than \$1,600,000 has been spent on preparations for the dam, company officials have testified.

Power Supply Row Renewed

Democrat 9-19-41

Congressman Clyde T. Ellis, Bentonville, public power advocate and probable candidate for the United States Senate, and C. Hamilton Moses, new president of the Arkansas Power and Light Company, figured in a new clash of statements today concerning electric power for the proposed Arkansas aluminum plant.

The congressman, who has been lending his weight to efforts of Rural Electrification Administration representatives to obtain a contract for supplying power to the projected plant, declared on a visit here that Arkansas faced loss of the aluminum plant because of a power shortage.

Saying "Arkansas is hog-tied by high power rates," he claimed that the state's power production is far below consumption and that reserves were far from sufficient to supply an aluminum plant which requires huge amounts of power.

He added that Arkansas representatives have been told by J. A. Krug, Office of Production Management power consultant, that power for the aluminum plant must be supplied at a rate of three mills a kilowatt hour or less.

Private Companies Submit Offer.
Mr. Moses, on the other hand, said private power companies had offered to immediately furnish 65,000 kilowatts of power pending installation of permanent capacity and had since offered to install an additional 75,000 kilowatts of capacity. An aluminum plant of the size contemplated would require approximately 120,000 kilowatts.

In addition, Mr. Moses declared, the power had been offered at \$27.50 a kilowatt year, which he claimed was "admittedly lower" than the price charged by TVA in its territory. At 100 per cent capacity, or 24 hours 365 days a year, the \$27.50 figure would be a rate of approximately 3.13 mills per kilowatt hour.

Mr. Moses also said that the Arkansas Power and Light Company had signed a contract for sour gas to be used as fuel in a new 30,000-kilowatt steam generating plant in southwest Arkansas.

In stating that Arkansas faces loss of the aluminum plant, Congressman Ellis pointed to North Carolina, which was allotted a similar but smaller plant. The location was changed to the Pacific Northwest when power was not available, Mr. Ellis said.

State in No Danger Of Losing Plants

OPM Denies Power Shortage May Cause Change in Plans.

Democrat 9-20-41

By B. N. TIMMONS.

(Democrat Washington Bureau.)
Washington—Officials of the Office of Production Management and Washington representatives of the Aluminum Company of America denied today that any of the aluminum or alumina plants designated for Arkansas under the defense program will be taken away from the state because of a power shortage or any other reason.

Rep. Clyde T. Ellis, in a statement issued in Little Rock Thursday, had said that the state might lose these developments because there is not sufficient power available at a low enough price. Officials denied this.

T. E. Covell, assistant chief of the Metals Division of OPM, flatly declared, "We are definitely going ahead with the plans on the basis of a 1,000,000,000-pound alumina production capacity and 100,000,000-pound aluminum capacity in Arkansas."

There are a great many rumors in Washington right now as to exactly what will happen. However, a final decision is to be made within a few days and that is probably the reason that so many reports—most of them vague—are floating around. Officials of OPM, ALCOA and Arkansas Power and Light Company who are here in Washington all said definitely that the plants will be located in Arkansas, although there has been some vague talk of locating them elsewhere.

Officials of these three organizations and the Rural Electrification Administration, which has also been involved, say there has been no change in the original decision to locate the two alumina and one aluminum plants in Arkansas. Experts of OPM are said to be in Arkansas now making the final selection of exact sites, preparatory to completing plans and specifications for the award of construction contracts.

The question of power, which is

vital to the processing of bauxite into aluminum, however, is still up in the air but due to be settled in the next few days. At least part of the power problem should be settled within that time.

Several Plans Considered.

Rumors as to what will happen on the power situation are thick and plentiful. Some of them follow: REA may build the necessary plant facilities; Defense Plant Corporation may build them; ALCOA may build them; the private power companies may do it; some may be in Louisiana, some in Arkansas; there may not be any at all, in which case the aluminum plants would go elsewhere.

This last rumor was, as has been explained, thoroughly and definitely denied by the officials in charge. As to the others there is no indication today as to what will happen.

ALCOA representatives here say if there are any plans for that company to build the power plants itself, they never heard of them. REA officials say they submitted their plan for construction of new power plants in Arkansas to supply the power for aluminum production, but that they do not know just where it stands now. Also there has been considerable discussion of having the Defense Plant Corporation build them, but there is no definite indication on that either.

C. S. Lynch, executive vice president, and Kenneth Johnson, engineer, for Arkansas Power and Light Company have been in town conferring about the power situation with OPM and other federal agencies, but declined to say what they were discussing and what they expect the outcome to be. Johnson did say, however, that there should be something definite on the situation today or Monday.

There also are rumors that officials of all the power companies in Arkansas, Louisiana, Texas, Oklahoma and Missouri, who agreed to pool their resources to supply the aluminum plants with temporary power, were to meet here Monday on the question. This could not be verified at governmental sources. Johnson said he has not heard anything about it.

Governor Not Involved In Power Fight

Gazette 9-21-41

Refusing to take sides in the current controversy over the source of electric power for alumina and aluminum plants in Arkansas, Governor Adkins said yesterday he was "not interested in who furnishes the power for our defense industries."

The governor ignored statements by Congressman Clyde T. Ellis of Bentonville to the effect that private utilities could not provide the required power at the required rate. Passed over also was the Arkansas Power and Light Company's claim that energy would be furnished if requested.

"I want to repeat that I am not interested in who furnishes the power for our defense industries," Mr. Adkins said. "It is our job to sell Arkansas, to encourage defense and other industries to come to our state and to develop power in every way conceivable. This, I believe, we are doing.

"I am perfectly willing to let the Office of Production Management, Reconstruction Finance Corporation and War Department decide the question as to who shall build the plants and who shall furnish the power."

Announcement Expected Within a Few Days.

The governor, relieving anxiety surrounding an unexplained delay in construction of the 1,000,000,000-pound alumina plant and 100,000,000-pound aluminum plant, said:

"I have been in daily communication with Washington with reference to alumina and aluminum plants and other defense industries and am hopeful the location and the matter of power will be settled within a few days."

The Office of Production Management announced several weeks ago that a \$21,000,000 alumina plant would be built in Arkansas on an undisclosed site. Earlier, an aluminum plant estimated to cost about \$60,000,000 was allocated to the state.

No contracts were signed and the continued postponement of any announcement concerning construction created a mystery which state officials could not explain. It was reported that C. H. Chadwick of Washington, plant locator for the OPM, made plane reservations for a trip to Little Rock last Wednesday but cancelled his trip at the last moment.

Power Possibilities Of State Known.

Enlarging upon his conversations with government agencies about the large defense plants, the governor said:

"People everywhere were interested in our power development program. I told them of our large reservoirs of gas in southwest Arkansas and the cheap coal in the coal fields, together with hydro-electric dams under construction and, in every instance, they remarked that if we continue our power expansion program as planned, Arkansas would have the greatest growth of any state in the nation.

"Through the Oil and Gas Commission I have made available to the various departments all data concerning the prospective output of gas for defense industries, amounting to approximately 60,000,000 cubic feet daily in southwest Arkansas. This daily output will be increased to 110,000,000 cubic feet by January 1. This, with our vast coal fields and hydro-electric power, will generate all of the power needed for the aluminum or any other defense plants."

Adkins Says State's Power Supply Ample

Natural Gas and Coal Reserves Sufficient To Meet All Needs.

Democrat 9-21-41
Arkansas natural gas reserves together with the state's vast coal fields and hydro-electric installations, will generate all the power needed for aluminum or any other defense plants, Governor Adkins said in a statement released by his office yesterday.

The governor said he had been in daily contact with Washington with reference to alumina and aluminum plants and other defense industries and was hopeful the location and matter of power would be settled within a few days.

Issued while the governor, who has just returned from the National American Legion Convention in Milwaukee, was in Ft. Smith for ground-breaking ceremonies at Camp Chaffee, the statement took no cognizance of the power controversy between Congressman Clyde T. Ellis, Bentonville, and C. Hamilton Moses, president of the Arkansas Power and Light Company.

Rep. Ellis declared Arkansas was in danger of losing the aluminum plant because of a power shortage and Mr. Moses replied that his company had offered power at a figure "admittedly lower than that charged by TVA in its area." Dispatches from Washington also quoted officials of the OPM and Aluminum Company of America as denying that there was any possibility of the state losing the aluminum plant because of a power shortage or for any other reason.

Evades Controversy.

The nearest the governor's statement came to touching the controversy was in the declaration that "I want to repeat that I am not interested in who furnishes the power for our defense industries. I am perfectly willing to let the OPM, RFC and the War Department settle the question of who is to build them and who shall furnish the power. It is our job to sell Arkansas, to encourage defense and other industries to come to our state and to develop power in every conceivable way. This, I believe we are doing.

"People everywhere are interested in our power development program," the statement said. "I told them of our large reserves of gas in southwest Arkansas and the cheap coal in the coal fields together with hydro-electric dams under construction and in every instance the industrialists remarked that if we continue our power expansion program as planned, Arkansas would have the greatest growth of any state in the nation, because of our potential cheap power through unlimited reserves of natural gas, coal and water power sites.

Gas Reserves Cited.
"Through the Oil and Gas Commission, I have made available to the various departments the prospective output of gas for defense industries, amounting to approximately 60,000,000 cubic feet daily

in southwest Arkansas. This daily output of gas will be increased to 110,000,000 cubic feet daily by January 1 and this, together with our vast coal fields and hydro-electric installations, will generate all the power needed for the aluminum or any other defense plants."

REA Power Again Urged By Ellis

Gazette 9-25-41

If Arkansas gets an aluminum plant recommended for the state, "the power will have to be supplied by the government, either through the REA or the Defense Plant Corporation," Congressman Clyde T. Ellis of Bentonville said yesterday.

Office of Production Management officials have made it clear that "in their opinion, private power companies could not begin to furnish the power and that their rates are entirely out of line," Mr. Ellis said.

He said that J. A. Krug, chief consultant of the OPM's Power Branch, issued an "ultimatum" in August to the effect that if power could not be furnished in Arkansas at a rate of three mills per kilowatt hour, "the plant would have to go elsewhere."

"Nobody has offered to furnish three mill power except the Rural Electrification Administration," Mr. Ellis said.

Letter Made Public.

He made public a letter in which Mr. Krug said various alternatives for obtaining power for the plant had been outlined to the Defense Plant Corporation by Mr. Krug's department.

Mr. Krug said, in part: "It has been their view that nothing would be gained in purchasing power supply, considering the fact that power facilities installed as an integral part of the aluminum plant would permit substantially lower power cost. I appreciate, of course, that this problem should not be decided on a cost basis alone, as other important factors must be taken into account; but considering the substantial saving involved, it may well be that cost will be the controlling factor."

Mr. Krug said that a final discussion with interested parties would be held in a few days.

Alleged Shortage Denied.

Congressman Ellis charged a week ago that Arkansas is in "definite" danger of losing two aluminum plants recommended for the state because the power is not available. The alleged shortage among private companies was denied by C. Hamilton Moses, Arkansas Power and Light Company president. OPM officials in Washington said last Saturday that plans for locating the plants in Arkansas were unchanged.

Fight Over Power Delays Arkansas Defense Plants.

Some observers say the Arkansas sour gas-aluminum plant-power situation is an excellent example of the ineffectiveness of a democracy to defend itself unless it delegates power and authority to one man in times of crisis.

For almost a year, state and government officials have been telling how they are going to use the now-wasted sour gas of Arkansas to generate cheap power to operate vital defense plants. The Office of Production Management has promised the state an aluminum and an alumina plant which would utilize this cheap power.

Delay in the construction of these plants seems to have resulted from the power situation. Everybody wants to be the agency to supply this power and a dog-fight has developed between a coalition of five Arkansas and five Louisiana rural electrification co-operatives backed by Secretary of the Interior Ickes, Representative Clyde Ellis' proposed Arkansas Valley Authority which would build hydro-electric dams in the White and Arkansas river valleys and which is backed by the Federal Power Commission, and the Arkansas Power and Light Co.'s "power pool" of private utilities, which seems to have the backing of the OPM.

Many believe the REA could provide cheap power quickly while the AVA could provide the necessary power, but at a somewhat later date. These rates, as contemplated by their respective backers would be comparable with those offered by the Tennessee Valley Authority. The Arkansas Power and Light Company and its allied private utilities to date, have not agreed that they could deliver electricity in

large quantities at equal rates.

But here's the rub. The Carter Oil Company, which controls most of the leases in the sour gas fields of southern Arkansas, is controlled by the Standard Oil Company which in turn owns a large bloc of stock in the Electric Bond and Share Corporation which controls the Arkansas Power and Light Co.

So while there is no man with authority and courage enough to settle this costly dispute, the aluminum plant remains unbuilt and the aluminum shortage grows more serious.

JUNIOR C. OF C. GIVES SUPPORT TO POWER POOL

Backs Utilities As Against REA.

Gazette 9-29-41

Directors of the Arkansas State Junior Chamber of Commerce, meeting on Mount Petit Jean yesterday, endorsed an offer by private utilities to furnish power for a proposed \$60,000,000 aluminum plant in Arkansas.

A resolution which, in effect, opposed the construction of Rural Electrification Administration lines to serve the big plant, was adopted calling on Arkansas senators and congressmen to "investigate thoroughly these two sources of power and, if it is found the consolidated private power supply in Arkansas is adequate * * * that said private industries be given preference over the REA."

Praise Governor For Stand Against Gambling.

The Junior Chamber directors adopted another resolution commending Governor Adkins for "his firm stand and public statements on illegal gambling." The governor was urged to "take whatever action necessary to enforce the proper respect for, and obedience to, the gambling laws of Arkansas."

The anti-gambling resolution was offered by members of the Junior Chamber at Hot Springs, where all forms of gambling are wide open.

Says REA Organized For Rural Service Only.

The move to support private utilities was sponsored by Dr. E. N. Barron, president of the Little Rock Young Business Men's Association.

"Private power industries have the necessary lines already in existence and have offered to supply this power at cost," the resolution said. "To use REA power would necessitate the construction of new lines requiring extensive use of materials vital to national defense."

"There is an apparent ample potential power supply in Arkansas for operation of the aluminum plant."

Contending that the REA originally set up for the electrification of rural districts and not for industrial purposes, the directors said the resolution was "in the interest of saving tremendous quantities of wire and other construction materials which are vitally needed by defense industries, and in the interest of saving several millions of dollars of the taxpayers' money."

Meeting with President W. T. Stover of Morrilton in the chair, the directors represented 19 units with membership in excess of 2,500.

Ellis Attacks Jr. C. of C. Resolution

Gazette 10-2-41

Washington, Oct. 1 (AP).—Representative Ellis (Dem., Ark.) replied today to the Arkansas State Junior Chamber of Commerce endorsement of a private utility offer to furnish electricity for the projected Arkansas aluminum plant with the suggestion the organization acted with-

out "a full knowledge of the situation."

He wrote President W. T. Stover of Morrilton, directors of the chamber and Dr. E. N. Barron, president of the Little Rock Young Business Men's Association, saying:

"May I suggest to you that if you are interested in the welfare of Arkansas, and I know you are, you interest yourselves in obtaining some public power for the state in order that we can set up a yardstick and reduce rates to the level of those in the TVA area, then Arkansas will go to town industrially."

"May I suggest also that you pass another resolution urging, in case government officials are unable to obtain a proper power supply from private utilities, that the government then develop the necessary power in order that the aluminum plant may be saved for Arkansas."

Dr. Barron, Ellis said, advocated acceptance of the private utilities' offer in the interest of saving taxpayers' money.

Private Utilities Have No Surplus Power, Ellis Says.

Ellis said the delegation had found private companies operating in Arkansas "have no surplus power and that their prices are entirely out of line." Ellis said further that the Arkansas congressional delegation and Gov. Homer Adkins had joined in recommending to the Office of Production Management that the REA be given the power contract.

Ellis asserted the private companies' offer to furnish power in any substantial quantity involved the government furnishing the money and that the Arkansas Power and Light Co. officials had been here trying to sell interim power to the government at seven mills when the OPM demands the power at three mills.

"I have every assurance that a decision will be made within the next few days and that either the REA or the Defense Plant Corporation, or both, will build this new power," Ellis continued. "I believe it will be the REA."

Barron Will Confer With REA Lawyer Today.

Dr. Barron said yesterday he had not received Congressman Ellis' letter but made it plain that the Arkansas Junior State Chamber of Commerce "wants to be fair."

He said he may make a statement after a conference today with Thomas Fitzhugh of Little Rock, lawyer representing the Rural Electrification Administration's interest in the power to be produced for the proposed aluminum plant.

"The private utilities have agreed to furnish the required power at four mills," Dr. Barron said. "I am told this represents the cost of producing the power. Of course, private utilities cannot compete with a government-subsidized plant, whose expenses are paid by the taxpayers."

Power Report Made On Norfolk Dam.

Gazette 10-3-41

A project report on installation of power generating facilities at Norfolk dam, completed by the Little Rock District, United States Engineers, was forwarded to the Southwestern Division office at Dallas, Tex., yesterday, Maj. J. R. Crume, district executive officer, said.

The report will be made public if approved by the chief of engineers at Washington.

Installation of power generating facilities in the Norfolk projection, now under construction on North Fork river in Baxter county, was authorized by the 1941 Flood Control Act, approved by President Roosevelt August 18. The installed capacity of generating facilities at Norfolk would be 60,000 kilowatts. Under normal conditions, production of prime energy would amount to 108,000,000 kilowatt-hours a year.

UTILITIES BOARD WANTS TO KEEP POWER AT HOME

Southeast Pool Not To Be Aided.

Gazette 10-17-41

Arkansas should not be required to drain its power reserves to help alleviate a threatened shortage in southeastern states, the state Utilities Commission said in a memorandum made public yesterday.

The note was intended to explain the commission's attitude toward the proposed creation of a power pool in the Southeast. It was written earlier this week and approved at a conference of state utility commissioners at Atlanta, Ga., Tuesday. The meeting was attended by Commissioner A. B. Hill of Little Rock.

Mr. Hill pointed out that although Arkansas is not in the Southeast territory, the state is vitally interested in the problem because of its interconnection at Memphis through the Arkansas Power and Light Company lines. He said the A. P. and L. has been sending an average of 30,000 kilowatts to the Tennessee Valley Authority since May

Southeastern Companies Will Pool Resources.

Southeastern power companies, attempting to control the threatened power situation, are planning to pool their reserves.

"If that doesn't solve the problem the hydro-electric reservoirs are not filled with rain by December 1, that area must curtail the use of electricity," Mr. Hill said.

Stressing the commission's desire to co-operate in meeting any power shortage, the memorandum said:

"But if [the commission] does not desire to see the creation of a power pool, co-ordinator or other authority that would have the right to demand that power be sent across the river from Arkansas or from the Arkansas, Louisiana, Mississippi and New Orleans system, when such power is needed west of the river,

Power Needed Here For Aluminum Plant.

"It has been promised that an aluminum plant will be constructed in Arkansas which will require large amounts of power, and prior to the construction of generating capacity for this plant, a large amount of the present generating facilities available on the west side of the river will be needed.

"When this power is needed on the west side of the river, it is our belief that power generated on the west side of the river must be available for this purpose, and that industries, defense or otherwise, located in the Southeast territory should have no preference nor priority with reference thereto, and that the construction and operation of defense industries west of the river should not be hindered nor delayed by the fact that power is now being sent east across the Mississippi river to help alleviate the shortage in the Southeast territory."

Ellis Hopes Work On Dams Can Be Rushed.

Congressman Clyde T. Ellis of Bentonville said here yesterday that hopes to obtain congressional appropriations of supplemental funds this fall to speed the construction of dams at Bull Shoals, Table Rock, Narrows, Fort Gibson and Markham Ferry.

He said he received a letter this week from Maj. Gen. Eugene Reybold, chief of United States Engineers, who referred to the dams. Part of the letter follows:

"I am pleased to inform you that this office has taken steps to request supplemental funds for the fiscal year 1942 to expedite the construction of certain authorized dams now under way and that it is conferring with the Federal Power Commission and the Office of Production Management to determine the advisability of requesting additional supplemental appropriations for this fiscal year to speed up for national defense purposes the initiation and completion of other reservoirs recently authorized in the flood control act of 1941.

"I can assure you that the department is entirely prepared to push the construction of these proj-

ects vigorously when the necessary funds for that purpose are made available."

Congressman Ellis came here to attend today's sessions of the Southwest Valleys Association at the Hotel Marion.

Hearing Planned On Blakely Dam Permit

Gazette 10-19-41
Col. S. D. Sturgis of Vicksburg Miss., district engineer of the United States Engineers, will go to Camden next Friday to arrange for a hearing to determine whether public sentiment favors government construction of the proposed Blakely dam on Ouachita river or reinstatement of the Arkansas Power and Light Company's permit for such construction, cancelled last summer. Colonel Sturgis may announce a date for the hearing while in Camden.

Commission representatives at the hearing will be Mr. Overman, Claud McKennon of Dumas, M. W. Greeson of Prescott and T. L. Geren of Fort Smith.

Blakely Dam Hearing Date To Be Decided

Democrat 10-19-41

Col. S. D. Sturgis, district engineer of the United States Engineers Office at Vicksburg, Miss., will be in Camden Friday to fix a date and meeting place for a hearing to be held in Camden soon to determine public sentiment on future of the proposed Blakely Dam on Ouachita River, W. C. McClure of Camden, secretary of the State Flood Control Commission, said yesterday.

Mr. McClure said the question would be discussed of whether the government should construct the dam or whether reinstatement of the lapsed Arkansas Power and Light Company permit should be sought.

Mr. McClure said that at a meeting of the commission Friday night plans for a delegation to attend the National Rivers and Harbors Congress at Miami, Fla., in November were discussed. Engineer C. S. Christian was added to a group of previously selected delegates for the Mississippi Valley Association meeting at St. Louis October 27.

Permit for Power Exchange Approved.

Gazette 10-19-41

A contract for interchanging power, made by the Arkansas Power and Light Company and the Empire District Electric Company to give assurance of an increased capacity for both systems, was approved by the state Utilities Commission yesterday.

The interchanging facilities should provide an additional 6,000 to 10,000 kilowatts for the A. P. and L., with a peak of 20,000 available, it was said.

Effective Until 1972.

The contract, effective until June 30, 1972, was made October 8 and filed here Friday. The commission approved the A. P. and L.'s plans for building the Norfolk dam extension and interchanging with Empire, last May 15, provided that the contract was filed in 120 days. On September 9 the filing period was extended to November 12.

"Through the construction of this one line, we can obtain increased power supply for these systems much quicker than would be possible if it were necessary to build generating plants for both systems," C. S. Lynch of Pine Bluff, A. P. and L. executive vice president said. "Since the peak load of the Empire District system and of the Arkansas Power and Light Company system do not occur at the same time, when one has excess capacity, it will be possible for the other system to take it."

Gas Plant Authorized.

When the commission granted the request to build the extension to Missouri, it also issued a permit for the A. P. and L. to construct a 30,000-kilowatt steam generating plant in the South Arkansas "sour gas" field. The state commission has doubted that it holds jurisdiction over a third request by the A. P. and L., an application for a permit to build the proposed Blakely dam on the Ouachita river. The utility has appealed to the Federal Court from a Federal Power Commission cancellation of its franchise to construct the dam.

May Ration Power In Southeast

Gazette 10-19-41

Washington, Oct. 18 (AP).—The Federal Power Commission said today plans were being drawn for compulsory rationing of electricity in the Southeast and probably would be made effective November 3 unless rain or a "super power pool" relieved the energy shortage now threatening defense operations in that area.

The pool, providing interchange of power among utilities, now is being formed, but commission experts appeared uncertain whether it would eliminate any necessity for curtailment in the non-essential uses of power.

It was understood that if rationing was decided upon it would be accomplished by a compulsory order, probably from the Office of Priorities Director Donald M. Nelson.

An informed quarter said it probably would embrace limitations on non-essential industrial, commercial and home use of electricity. The southeast is the center of large aluminum and other defense production.

One large utility in the area was reported to have in its hydro reservoirs only sufficient water for about two weeks operations. A report from the Geological Survey today said 3,000,000,000 kilowatt hours of electric energy had been lost due to shortage of water in the 12 months ending September 30.

It was indicated that any rationing order issued would apply to Virginia, North Carolina, South Carolina, Georgia, Florida, Tennessee, Alabama, Mississippi, Arkansas and Louisiana.

Hill Doubtful Of State's Inclusion.

A. B. Hill of Little Rock, member of the state Utilities Commission, expressed doubt yesterday that any compulsory rationing of electricity in the Southeast would be extended to Arkansas.

"I believe the Office of Production Management is just getting set to act if the proposed pooling arrangement fails," he said. "At a meeting of utilities commissioners at Atlanta, Ga., a few days ago we endeavored to work out a plan for voluntary curtailment if necessary."

"Arkansas has an interest in the Southeast district because of its connection with Memphis through the Arkansas Power and Light Company's lines. Our commission is opposed to sending out power produced in Arkansas to take care of other states, if that power is needed here."

Mr. Hill said he believed "some sort of pooling plan" can be reached.

Blakely Dam Hearing Set For Tuesday

Gazette 11-28-41

St. Louis, Mo., Nov. 27 (AP).—A United States Circuit Court hearing scheduled today on the Arkansas Power and Light Company's appeal from a Federal Power Commission order terminating a license for construction of the Blakely dam on the Ouachita river was continued until next Tuesday.

The utility had sought an extension of the completion date for the project which was to have been a dual purpose dam with facilities for power and flood control. After hearings in Washington last December, the commission denied the request and revoked the license, effective September 1, 1941.

The order said actual construction had not been pursued "in good faith and with due diligence." In its appeal, the company contended the order was "unreasonable, capricious, arbitrary and contrary to law."

\$5,000,000 Approved For Norfolk Dam

Gazette 12-4-41

Washington, Dec. 3 (AP).—The House Appropriations Committee today recommended to Congress the appropriation of \$5,000,000 to speed work on the Norfolk dam on the White river in Arkansas and \$2,335,000 to begin construction of the Fort Gibson reservoir on the Grand river in Oklahoma.

Maj. Miles Reber, assistant to the chief of army engineers in charge of construction, told the committee the \$5,000,000 would enable the engineers to put the Norfolk reservoir into service in 1944 with an installed capacity of 60,000 kilowatts of power.

The project, to have a completed capacity of 120,000 kilowatts, will cost a total of \$27,500,000. Engineers have spent \$5,484,000 thus far in its construction.

The ultimate cost of the Fort Gibson reservoir was estimated at \$13,700,000. The total initial capacity will be 30,000 kilowatts, ultimate capacity 45,000.

Both were recommended to meet defense power needs.

Norfolk Dam Being Rushed To Completion.

Gazette 12-4-41

Norfolk dam, giant power and flood control project on the North Fork of the White river in Baxter county, is being rushed to completion by the Little Rock District Engineers. Although planned for completion by the middle of 1944 it is expected the dam will be completed by the fall or winter of 1943.

The dam will provide storage water for flood control of 732,000 acre-feet. It eventually will have four penstocks of 18 feet diameter each providing 120,000 kilowatts of installed capacity capable of generating more than 100,000,000 kilowatt hours of prime electrical energy per year.

The Fort Gibson dam is one of three planned for flood control and power on the Grand river, a tributary of the Arkansas. The three dams will hold backwaters of the river, said to be the heaviest contributor to floods on the lower Arkansas.

The Fort Gibson dam will provide 486,000 acre-feet of storage for flood control, supplementing 960,000 acre-feet of storage by Pensacola dam, which was completed in 1940. The third dam, Markham Ferry, which has been authorized by Congress, will provide 239,000 acre-feet of flood control storage, bringing that of the Grand river system to 1,685,000 acre-feet.

Blakeley Dam Hearing Set For Tomorrow at Hot Springs.

Special to the Gazette. 12-11-41

Hot Springs, Dec. 10.—United States army engineers will try to learn sentiment regarding the construction of a third hydro-electric dam on the Ouachita river at a hearing here Friday. This project is known as the Blakeley dam.

Officials of towns along the Ouachita river are expected to send delegations to urge early construction of the dam. Governor Adkins and Hot Springs commercial organizations also will line up for the project.

A. P. L. TO SELL 65,000 KW TO MALVERN PLANT

Contract Signed In Washington.

Gazette 12-19-41

A contract to supply 65,000 kilowatts of interim power to the \$33,000,000 aluminum plant to be built on Lake Catherine near Malvern has been signed by the Arkansas

Power and Light Company with the Defense Plant Corporation, C. Hamilton Moses, president, reported to other officials of the company yesterday by telephone from Washington yesterday.

Companies in Arkansas, Louisiana, Texas, and Oklahoma will establish a power pool using reserves of each of the companies to provide the interim power for the aluminum plant, Mr. Moses said. "This is the largest amount of power ever contracted for in the Southwest," he said.

A rate of \$2 per kilowatt, plus four mills per kilowatt hour for energy is provided in the contract, Mr. Moses said.

Work will begin immediately on construction of connecting lines, transformers, switching apparatus, and other equipment, he said. Nearly \$5,000,000 will be invested, much of it in Arkansas, he said.

The total energy consumption for the aluminum plant, which has been expanded in size, will be approximately 550,000,000 kilowatt hours annually. This is more than the electric consumption in Arkansas today, Mr. Moses said.

Steam Power Plant Will Be Rushed.

In a formal statement announcing signing of the contract, Mr. Moses said construction of a \$3,000,000 steam power plant in the sour gas fields of south Arkansas will be rushed. This plant will be needed to care for the normal load of the company in addition to the power to be supplied the aluminum plant, he said.

The formal statement follows: "A contract to furnish 65,000 kilowatts of temporary power for the aluminum plant to be built in Arkansas was signed today by the Arkansas Power and Light Company with the Defense Plant Corporation. It covers power to be supplied from 16 to 22 months between the time the aluminum reduction plant is completed and the time the generating station for the aluminum plant is completed. "The handling of this unusual power load was made possible by the co-operation of the major electric companies in the Southwest, and it is a good example of the co-operation that can be had by the government from private business.

Two Contracts For Power Criticized.

"This arrangement could have been even more effective if the already-established power companies had been given the opportunity of furnishing the complete power supply of 100,000 kilowatts needed by the aluminum plant, and which the companies offered to supply.

"Instead, the responsibility of furnishing the power was divided between the power company group and the REA. The REA was given a contract to furnish approximately 35,000 kilowatts of the aluminum plant requirements. To do this the REA will have to construct hundreds of miles of transmission lines from the Grand River dam in Oklahoma, through the rough terrain of the Ozarks, to the aluminum plant.

"We advised governmental agencies that our plan to supply the full 100,000 kilowatts through the one power pool would be more efficient and would save 1,000,000 pounds of copper and thousands of pounds of other very vital materials that could be used for the manufacture of guns, planes, tanks and other war production.

"No industry has ever failed to come to Arkansas because of a lack of power supply. Our company has always built ahead of power demand. Last March we ordered equipment for a 30,000 kilowatt steam-electric generating station in the heart of the sour gas field in southwest Arkansas. We are doing all possible to bring about the building of this plant.

Interconnected System To Be Outstanding.

"The voluntary formation of this power pool by the electric companies to meet this unusual demand is a tribute to the patriotism and the unselfishness of these companies. It would bring about also the formation of one of the finest interconnected electric systems in the nation—adequate and certainly without waste—to meet all the power needs of this area.

"The co-operating companies will invest nearly \$5,000,000 to meet the power demand of the aluminum plant, even though the contract is a temporary one. We can do this because we are already established; we can lay plans now for peacetime industrial expansion, and we want to serve our country most effectively.

"We will proceed immediately

with the construction of the transmission lines which will run through Arkansas, Missouri and Louisiana.

"In addition to furnishing power under this contract, during the last 12 months the electric companies in this immediate area took on more than 40,000 kilowatts of load for war production.

"The Arkansas Power and Light Company has co-operated and will always co-operate with its government in doing everything it can to bring about the successful conclusion of this war. These power companies are asking no financial contributions from the government for the aid it is giving. The Arkansas Power and Light Company is interested with all citizens in doing everything possible to win the war, and we hope that personal differences and political ambitions will be set aside so that our state and country can present a united front for the greater efficiency and greater effectiveness against our common enemy."

POWER LINE TO BE FIRST STEP IN BIG PROGRAM

REA Development Planned.

Gazette 12-21-41

The 185-mile transmission line which the Ark-La Electric Co-operative, Inc., will construct from Muskogee, Okla., to the aluminum plant on Lake Catherine, near Malvern, was described yesterday as the start of a gigantic public power program for Arkansas which will bring an enormous supply of energy to the state at rates comparable to TVA schedules.

The line was described by officials of the Federal Power Commission in Washington "as one of the important transmission tie lines of the country." Thomas B. Fitzhugh, lawyer for the Ark-La Co-operative, said yesterday.

The co-operative last week signed a contract with the Defense Plant Corporation to supply 32,500 kilowatts of interim power for the aluminum plant until the government completes its own power generating units on Lake Catherine. The Ark-La Electric Co-operative is composed of five Arkansas and five Louisiana REA-financed co-operatives serving principally rural areas of the two states.

The remaining interim power of 65,000 kilowatts will be furnished by a private power pool, of which the Arkansas Power and Light Company will be the hub. The aluminum plant will use more power than was consumed in the entire state last year.

Line to Grand River To Cost \$2,000,000.

The REA co-operative will obtain its power from the Grand River dam in northeastern Oklahoma. The transmission line, which will cost an estimated \$2,000,000, will tie together two great sources of electric energy—the Grand River dam and the 105,000-kilowatt generating unit to be constructed on Lake Catherine. Surplus power generated by the steam turbines on Lake Catherine can be transmitted to the Grand river power plant for distribution elsewhere, or to supply Grand River dam customers with power in the event of low-water stages.

This line will be the first major line to bring so-called public power into Arkansas. After the co-operative's contract with the Defense Plant Corporation is terminated, it will be ready to offer power to private consumers at rates described by Mr. Fitzhugh as the lowest ever offered in Arkansas.

Huge Development Recommended by FPC.

The Federal Power Commission, in its report to President Roosevelt for an adequate power supply for the defense program in 1943, 1944, 1945 and 1946, has recommended the immediate construction of the following hydro-electric projects in Arkansas:

Nimrod dam on the Fourche la

Fave river, to supply 7,000 kilowatts by 1943. The dam is nearing completion.

Norfolk dam on the North Fork river, to supply 60,000 kilowatts by 1943. This dam is under construction.

Markham Ferry and Fort Gibson dams on the Neosho river in Oklahoma, to supply 30,000 kilowatts each by 1943.

Bull Shoals on the White river to supply 110,000 kilowatts by 1945.

Table Rock on the White river to supply 60,000 kilowatts by 1946.

In addition, the War Department has under consideration the following proposed projects:

Greer's Ferry on the Little Red river.

The Narrows dam on the Little Missouri river.

Blakeley Mountain dam on the Ouachita river.

The government will build three 35,000-kilowatt units which will utilize "sour" gas from South Arkansas on Lake Catherine to supply the aluminum plant. In addition, the REA tentatively has selected Camden as a site for a \$45,000-kilowatt steam generating plant.

Great Pool of Cheap Power Would Be Created.

Should these projects be constructed as recommended, they would have a combined output of 447,000 kilowatts of power, providing Arkansas with sufficient cheap power to operate four aluminum plants the size of the one to be constructed on Lake Catherine.

The Directory of Electric Generating Plants shows Arkansas has 65,300 kilowatts capacity in hydro-electric units and 72,630 kilowatts in steam generating plants. These include all public and private installations.

The importance of having this great supply of power available in Arkansas is reflected in statistics of the state Utilities Commission. Arkansas consumed 619,430,048 kilowatt hours of electricity in 1940, of which 437,788,130 kwh were imported. Figures for the past five years show the state has imported 65 per cent of electricity consumed.

PERMIT ISSUED SOUTHWESTERN FOR POWER LINE

Priority Must Be Obtained.

Gazette 1-3-42

Authority to build a 132,000-volt transmission line to tie in the Lake Catherine aluminum plant with the newly-formed Southwest Power Pool, formed by 11 private companies, was granted to the Southwestern Gas and Electric Company by the state Utilities Commission yesterday.

The commission conditioned its action on ability of the company to obtain necessary priority rating in order to purchase materials. The order said:

"This authority is granted on condition that applicant secures from the proper federal authorities priority ratings for materials that will enable it to secure materials and construct the line within the time that the Arkansas Power and Light Company has pledged itself under its contract with the Defense Plant Corporation. The applicant must file written evidence that priorities have been obtained within 60 days."

The commission issued a statement Wednesday saying it would not consider the Ark-La Electric Co-operative's application for authority to build a 45,000-kilowatt steam generating plant at Camden until after proof of priorities had been exhibited by the REA unit.

Orders Reconciled By Chairman Carter.

Chairman Ben E. Carter of the commission said the Southwestern Gas and Electric order and the statement concerning Ark-La were not at variance. "They represented different cases," he said. "We said we would approve Ark-La's application for a

permit to build a line from Oklahoma to the aluminum plant, if the government wants it, because Ark-La already had a contract with the Defense Plant Corporation to furnish the interim power. The A. P. and L., a member of the power pool, also had a contract with the Defense Plant Corporation. The contract itself was evidence that the Southwestern Gas and Electric could obtain priorities.

"The Camden power plant application was different. Ark-La did not have a contract with the Defense Plant Corporation for construction of that plant. So there would be no object in considering this case unless proof of ability to obtain priorities has been presented."

Southwestern Line To Cost \$346,500.

The Southwestern Gas and Electric plans to build a 37-mile line from the Texas border to a point 16 miles north of Ashdown. The cost was estimated at \$346,500. It would be one of a series of private utility interconnections proposed to bring 65,000 kilowatts to the aluminum plant.

The commission announced it will hold hearings January 15 and 16 on applications of the A. P. and L. to build a transmission line from the new Southwestern Gas and Electric terminus near Ashdown to the aluminum plant and from Little Rock to Norfolk dam in Baxter county.

The A. P. and L. already has been authorized to build an interconnecting line from Norfolk to Ozark Beach, Mo., tapping the system of the Empire District Electric Company, another member of the power pool.

NEW AVA BILL BEING DRAWN IN WASHINGTON

FPC Chairman At Conference.

Gazette 1-13-42

Washington, Jan. 12 (AP).—Power problems of the Southwest were discussed in a private meeting today in the office of Senator Lee (Dem., Okla.). Several members of the House and Senate and Chairman Leland Olds of the Federal Power Commission were present.

Among those in the conference, all invited by Lee, were Senator Norris (Ind., Neb.) and Representative Ellis (Dem., Ark.). One of the matters considered was a revised draft of legislation which would create an Arkansas Valley Authority.

Informed persons said the new bill probably would be introduced by Lee in the Senate and Ellis in the House, and make changes in pending AVA legislation to overcome objections of federal agencies. The present bills regarding the AVA are S280 and HR1823, companion measures.

OPM Officials Study Arkansas Power Situation.

Officials of the OPM Power Division withheld comment today on whether they would request authority for the Arkansas-Louisiana Electric Co-operative to build transmission lines to transmit REA power from the Grand River dam in Oklahoma to the government aluminum plant under construction at Lake Catherine, near Malvern, Ark.

The co-operative, as well as a group of private utilities, have contracts to supply power for the aluminum plant.

The private companies contended at a hearing before the Arkansas Utilities Commission last week that they should provide transmission lines to convey the REA power, as well as their own, and that if the REA co-operative was permitted to build its own lines it would result in an unnecessary duplication of facilities.

The state commission decided that expansion of the REA transmission facilities should await a formal request from OPM or other governmental agencies. OPM officials said they were studying en-

gineering plans to determine whether the REA transmission lines were necessary.

President Wants White River Dams

Gazette 2-22-42

Washington, Feb. 21 (AP).—Representative Ellis (Dem., Ark.) said today he had been advised that President Roosevelt has prepared a request to Congress for funds to start construction of the Bull Shoals and Table Rock reservoirs of the White river in Arkansas to provide power for war production.

He said a message to Congress would request \$1,025,000 for a start of construction before June 30 and \$25,000,000 for the next fiscal year beginning July 1.

"Trenches and preliminary ground explorations are pretty well along at these project sites now," Ellis said.

He said he was confident that Congress would appropriate the funds and that engineers had advised him they were ready to begin immediately construction of roads and railways to the dam sites.

He said initial installations would be 60,000 kilowatts at Table Rock and 126,000 kilowatts at Bull Shoals. "The two of them," he added, "will develop 790,000,000 K. W. H. of prime power per year and a tremendous amount of secondary power."

With the Norfolk dam, he said, Bull Shoals and Table Rock would have a power capacity of 576,000 kilowatts or "more than four times the present capacity of Arkansas."

In addition, he continued, the dams would provide 5,167,000 acre-feet of flood control "or more than two thirds enough to completely control the floods of the White and thus end that \$2,185,000 direct annual flood damage."

Projects Said Able To Pay for Themselves.

"The projects will pay for themselves and in the end will cost the taxpayers nothing," Ellis said. "These are distinctly war projects. They will, along with Norfolk, unlock a sizeable portion of the tremendous hydro power of Arkansas. They will help provide power in undreamed of quantities for an undreamed of mass production of war materials if it takes it to win this war."

He said that with the new projects "we are breaking the power monopoly that so long has stunted Arkansas; and thus we are building the AVA link by link."

All of Arkansas, Missouri, Eastern Oklahoma and Kansas, he said, would be within territory that could be served by the dams.

"We will have an industrial empire within an agricultural empire and that is ideal," he declared.

Norfolk River Coffer Dam Completed

Special to the Gazette. 2-26-42

Mountain Home, Feb. 25. — The coffer dam has been completed on the river diversion at the Norfolk dam, and excavation on the foundation on the south side of the river is nearing completion. During the past few weeks crews have excavated about 15,000 cubic yards of rock and dirt from the old river bed, and will start to pour in the foundation on that side of the river in about a week. Work was suspended last week for four days because of cold weather. The low at the dam was 10 above.

Foundations on the south side of the river will be completed late next summer. Forty carloads of gravel a day are being hauled by the Missouri Pacific from the Heron gravel bar below Norfolk, on White river, to the dam. Unless the weather is very severe the huge concrete buckets move back and forth from the concrete mixer to the monoliths 24 hours a day. To date 150,000 cubic yards have been poured on the huge project, which is one of five of the largest concrete dams in the United States.

Bull Shoals Trench Completed. Oscar Landers, who had the contract for the big foundation trench at the Bull Shoals dam site, has completed his contract. The next

foundation test on this big project will be the sinking or drilling of a caly hole 36 inches in diameter, which will be sunk to a depth of about 30 feet. A rotary rig will be used. This big hole is necessary to give an adequate check on the rock it penetrates. It is large enough for a man to be lowered in the hole and check the cylinder walls by actual observation.

Preliminary work on the Table Rock dam on White river, near Branson and Hollister, Mo., in Taney county, is about completed. It is expected that authority will be granted and funds allotted to start work on Table Rock and Bull Shoals soon.

Revocation Of Blakely Permit Valid

Gazette 3-4-42

St. Louis, March 3 (AP).—The Eighth Circuit Court of Appeals today affirmed a Federal Power Commission order terminating a license held by the Arkansas Power and Light Company for construction of the \$6,100,000 Blakely dam on the Ouachita river near Hot Springs, Ark.

Arkansas Power and Light contended the order was arbitrary and unreasonable, claiming it had made every effort to conform to terms of a previous extension of the license which fixed the date for commencing the project as December 31, 1936 and the completion date as December 1, 1939.

The utility claimed land acquisition and preliminary engineering and construction had cost it \$1,600,000. It asserted that further work on the dam had been suspended because of changes resulting from federal legislation and inability to get approval of its plans from the commission and the army engineers.

The F.P.C. claimed that the company had not exercised "due diligence" and declared that "apart from legalistic phrasing and regardless of arguments, water is still freely flowing past the Blakely dam site without benefit to anyone and under their (company) plans will continue to flow past at least until 1947 and maybe for 20 years."

President Moses Says No Appeal Planned.

The Arkansas Power and Light Company plans no appeal to the Eighth Circuit Court of Appeals decision affirming a Federal Power Commission order which terminated the utility's license to build Blakely dam, President C. Hamilton Moses said last night.

"We are mighty sorry to have lost the case but that seems to settle it," Mr. Moses said.

Ark-La Has Small Unit For Plant

Gazette 3-10-42

Ark-La Electric Co-operative, Inc., which has obtained a 2,500-kilowatt generating unit for its proposed Camden power plant, will be permitted to amend its application for authority to construct the plant, Chairman Ben E. Carter of the state Utilities Commission said yesterday.

The unit has been obtained at Alexandria, La., Thomas B. Fitzhugh, Ark-La attorney, said. Mr. Fitzhugh conferred with the commission as to whether a new application or an amended request would be necessary.

Ark-La applied for permission to build a 45,000-kilowatt capacity gas-fired electric generating plant on the Ouachita river near Camden, and to construct transmission lines from the plant to the Lake Catherine aluminum plant. This request was part of Ark-La's much-discussed application which included a request for permission to build a transmission line from Oklahoma's Grand river dam to the aluminum plant.

On January 10 the commission continued the "Camden" part of the application for 30 days. The application was to be denied if certain information regarding the proposed generating units was not furnished to the Utilities Department within the 30-day period, which has

expired, but this requirement can be modified, Mr. Carter said.

Priority Trouble.

Ark-La encountered priority trouble in lining up units needed at Camden.

The co-operative, which holds a Defense Plant Corporation contract to deliver 32,500 kilowatts of interim power to the aluminum plant, has started work on the transmission line from Grand river.

Southwest Power Pool Opens Offices, Gazette 3-18-42

The Southwest Power Pool, formed by 11 power companies to insure a supply of temporary power for the \$33,000,000 aluminum plant at Lake Catherine, opened offices for the Operating Committee of the pool at the Arkansas Power and Light Company headquarters here yesterday.

In charge of operation of the pool are four engineers, who will be responsible for furnishing 67,500 kilowatts of interim power to the plant as contracted by the pool. The engineers are: E. C. Curtis, New York, co-ordinating engineer, formerly with the Kansas Gas and Electric Company; E. E. George, electrical engineer, former superintendent of operations of the Kansas Gas and Electric; A. Iliff, mechanical engineer, formerly with the Newport News Drydock and Shipyards Company; and Charles F. Custer, Little Rock, accounting engineer, former assistant engineer of the Arkansas Department of Public Utilities.

Extending from Oklahoma east to middle Mississippi and from Texas to Nebraska, the pool will seek to assure that surplus power in one section be made available to another section which may have a temporary shortage.

A line from Ashdown to the aluminum plant is being built by the Arkansas Power and Light Company, connecting with a line which the Southwestern Gas and Electric, a pool member, will build from Ashdown into Texas to connect with generating facilities.

WORK ON A.P. & L. POWER PROJECT HALTED BY WPB

Priority Rating Canceled.

Gazette 4-28-42

Canceled a preference rating for materials needed in the construction of the Arkansas Power and Light Company's transmission line between Norfolk dam and Ozark Beach, Mo., the War Production Board has ordered that all materials on hand for the project be impounded.

A shortage of copper made the cancellation necessary, Director J. S. Knowlson of WPB's Division of Industry Operations, said in a telegram to Chairman Ben E. Carter of the Arkansas Utilities Commission.

The order will cause the A. P. and L. to encounter difficulty in fulfilling its contract to deliver 65,000 kilowatts of interim power to the Lake Catherine aluminum plant, but "it probably can be done," C. S. Lynch of Pine Bluff, executive vice president of the company, said yesterday.

Work on the 65-mile project, linking the Baxter county dam with Forsyth dam in Taney county, Missouri, had been delayed by a WPB order in February, pending a review of the job's necessity. A scarcity of copper forced the cancellation of the priority rating, Mr. Knowlson said.

Construction of Line 50 Per Cent Complete.

Construction of the line was slightly more than 50 per cent complete, Mr. Lynch said. A dispatch from Cotter, received by the Gazette last Wednesday, said 95 per cent of the right-of-way had been cleared, 60 per cent of the pole structures had been installed and 25 per cent of the wire had been strung. The original completion date was May 15. After the delay, requested for review purposes, completion in June was expected.

Previously the WPB decided that a proposed Norfolk-to-Little Rock transmission line should give way

to an alternate line extending from Riverton, Kan., to Ozark Beach to Oklahoma's Grand river dam and thence to the aluminum plant. Ark-La Electric Co-operative, Inc., composed of co-operatives financed by the Rural Electrification Administration, is constructing the line between Grand river (Markham's Ferry, Okla.) and Lake Catherine.

Copper Scarcity Causes Cancellation.

Mr. Knowlson's message to Chairman Carter, dated Sunday, said: "We have reviewed necessity of proposed Ozark Beach - Norfolk transmission line which has been held up per telegram of February 28 from J. A. Krug [WPB's Power Division director]. Scarcity of copper makes it necessary to cancel the preference rating granted on this project pending further instructions for its use in war effort and send to Power Branch inventory of such materials and equipment on order and status of manufacture of same."

Enclosing a copy of the WPB telegram, Mr. Carter sent a letter to Vice President Lynch which said, in part: "This department does not know what authority it has in the matter or whether this telegram is intended to delegate any authority to it, but we know that you will cheerfully comply with the directions contained in the telegram, and, insofar as the department has any authority, it directs that the instructions in this telegram be complied with."

A. P. and L. Yields To Nation's Best Interests.

Mr. Lynch said: "It is a question of copper, and how bad it's needed for power to run the plants and how bad it's needed to have shells. We are interested in the power. We are not in a position to judge the merits of the other side. The WPB is the judge, not us. We are interested in doing what is best for the country."

Since the A. P. and L. previously had convinced WPB that the line was needed, "something changed its mind," in view of the cancellation, Mr. Lynch said. He emphasized that the A. P. and L. is not critical of federal agencies and will await further orders from the WPB.

Power Plant Excavating Contract Let

Democrat 7-5-42

Pine Bluff—Contract for excavating the site of the Arkansas Power and Light Company's new \$3,000,000 electric generating station near Stamps has been awarded to S. M. Dixon, Warren contractor, and work will be started tomorrow, C. S. Lynch, executive vice president of the power company, said.

Mr. Dixon also was awarded the contract for excavating the cut for the railroad spur which will lead from the main line of the Cotton Belt railroad to the new plant, and for building the road that will lead from Highway 32 south to the plant.

He will also erect the large steel warehouse. The warehouse, which is pre-fabricated, has arrived at Stamps.

About 30,000 cubic yards of dirt will be moved by the contractor in excavating and grading.

Various items of material for the plant are arriving daily in Stamps. Mr. Lynch said, and as soon as the grading of the site is completed, construction of the reinforced concrete building to house the 30,000-kilowatt generator and steam turbine will be started.

WORK ON BLUE MOUNTAIN DAM TO BE STOPPED

Gazette 7-8-42

Due to Low Priority Rating.

Construction on Blue Mountain dam on Petit Jean river near Booneville has been discontinued temporarily because of war restrictions on the use of critical materials, the United States District Engineers Office here announced yesterday.

Work will stop within 30 days, it was announced. The dam will be about 55 per cent complete. The Army and Navy Munitions Board reviewed the Blue Mountain dam situation and decided against giving it a higher priority rating.

River Diversion Impossible Under Present Conditions.

The announcement said: "Because of the increasing restrictions on the use of critical materials, it has become practically impossible for the contractor to secure necessary operating supplies and repair parts for continuance of construction of the embankment and spillway under the existing low priority rating."

"Work on the dam has reached a point where diversion of the river must be commenced or the work must be stopped. If this river closure is initiated, it is imperative that the work be carried to completion as rapidly as possible because of the inherent dangers to human life and property during this state of construction on an earth dam. It is obvious that completion cannot be achieved safely unless a sufficiently high priority rating is obtained to insure the prompt delivery of necessary operating supplies and repair parts when those items are needed."

"It is expected that the contractor at the Blue Mountain dam will continue for about one month, after which construction will cease. The dam at that time will be about 55 per cent complete. In that uncompleted stage, it will not provide any of the protection contemplated by a completed dam, but the flood situation along the Petit Jean river valley will not be any worse than it was before start of construction."

Construction Delayed By Various Difficulties.

Blue Mountain dam was planned as one of a series of 10 dams in Arkansas to prevent floods on the lower Arkansas river. Specifications called for flood control capacity of 233,000 acre-feet on the Petit Jean, which contributes much flood water to the Arkansas.

Contract for first units of the dam, which was to be 115 feet high and 2,700 feet long, was given to John Kerns Construction Co., Omaha, Neb., but the War Department declared the contract forfeited August 15 because the work was far behind schedule. The bonding company took over operations. Contract for construction of the dam was given to Myers, Myers and Goen of Salem, Ind., on a bid of \$1,111,870.

Original completion date was October, 1941, but preliminary work advanced so slowly that the United States Engineers office in Little Rock later announced it would not be completed before mid-summer.

Bids for construction of runways at the new Army Air School at Newport, were opened by the United States Engineers yesterday, Capt. J. O. Reeves, executive officer, said.

Work On Clearwater Dam Halted

Gazette 7-9-42

Construction of Clearwater dam on the Black river near Piedmont, Mo., will be stopped as soon as materials now on hand are used, the Little Rock District office of the United States Engineers announced last night. The dam is the second flood control project in the White and Arkansas rivers watershed to be discontinued temporarily because of restrictions on the use of critical war materials.

Work on Blue Mountain dam on Petit Jean river near Booneville was ordered discontinued in a similar order issued Tuesday. The Clearwater project is about 30 per cent complete. The Blue Mountain dam is 55 per cent complete. Both projects are under the supervision of the Little Rock District. Work will be stopped within 30 days.

Orders on both jobs were issued by the Army and Navy Munitions Board.

"The board feels that higher priority should not be assigned in view of the needs for the many war projects which are now under construction, and that work on these flood control structures should be restricted to only that which is necessary to provide reasonable protection to the work already completed," the board said.

Halted for Duration.

The Clearwater dam site is 43 miles north of the Arkansas-Missouri border, six miles southwest of Piedmont. The project was designed so that the permanent conservation pool would become a recreation and wild life refuge.

The Blue Mountain project is 57 miles from the confluence of the Petit Jean and Arkansas rivers. By storing excessive flows from that portion of the river lying above the dam site, the engineers said the reservoir would provide immediate flood protection for the valley downstream and assist in controlling floods on the Arkansas and lower Mississippi rivers.

The work stoppage is expected to last at least for the duration.

Norfolk Dam Work Likely To Continue

Gazette 7-10-42

Construction of Norfolk dam and reservoir on the North Fork of White river, 13 miles southeast of Mountain Home probably will be continued, Col. A. M. Neilson, engineer for the Little Rock District, United States Engineers, said yesterday.

Work on two dams in the Little Rock District was suspended because the War Production Board ruled that materials needed to complete the projects were needed in other projects more vital to the war effort. These dams were Blue Mountain dam on the Petit Jean river near Booneville, and Clearwater dam on Black river near Piedmont, Mo.

The Norfolk dam has been authorized as a flood control measure and the generation of hydroelectric power. The two dams on which work has been ordered suspended were listed as flood control projects.

Construction work at Norfolk is ahead of the original schedule, but some delays may result from shortage of materials, Colonel Neilson said. The completion dates are expected to depend upon the availability of turbines and generators, the colonel said.

Work Begun March 1, 1941.

Work on the first phase of the dam which included the flood control dam and reservoir, with provisions for the future installations of hydro-electric generating facilities, was started March 1, 1941. The original contract was for \$10,778,726.

The power unit was authorized July 18, 1941, at a cost of about \$12,000,000. The original contract called for completion of the first section of the dam and reservoir within 1,200 days after the starting date.

Colonel Neilson said some shortages of materials had occurred, but materials were substituted or arrangements made to delay portions of the construction until the materials were made available without affecting the production schedule.