

Big Money Comes To Boulder Dam

Boulder Dam will contribute an unexpected three-quarters of a million dollars to the United States treasury during the next three years as a result of an interim power contract approved recently, Secretary of the Interior Harold L. Ickes announced.

This is but one item in the revenues the dam has started to pour back into the U. S. treasury which insures complete repayment to the government for its investment in Boulder Dam plus 4 percent interest in the next 50 years.

The Bureau of Reclamation has been authorized to negotiate a contract with the Nevada-California Electric Corporation, the draft of which also has been approved by the utility company, under which the company would begin purchasing Boulder Dam power immediately. The company, one of the original Boulder Dam power purchasers, was not required to take and pay for power under the contracts negotiated in 1930 until 1940. The Department of the Interior, however, managed to complete the great public work and get it on a revenue-producing basis several years ahead of schedule.

Under the interim agreement the power generated by unit A-8 in the Arizona wing of the power house would be sold to the utility company. This unit, which has a capacity of 40,000 k.v.a., has been installed and is ready for operation.

Recently the company applied to the Bureau of Reclamation for permission to buy power at once for the demand for Boulder Dam's benefits exceeded estimates. The growth of the power market in southern California, which has exceeded expectations, and the record-breaking completion of Boulder Dam ahead of the power market in Southern California, the sale of this power at this time.

The Bureau of Reclamation estimates that by shoving three years ahead the time when the company's contract would have become effective revenue to the government totaling \$793,053 will be added to the income from Boulder Dam.

The interim agreement provides that the company will purchase 62,854,000 kilowatt hours of firm energy at the regular Boulder Dam rate of 1.63 mills and 37,146,000 kilowatt hours of secondary energy at the regular rate of half a mill during the first year; 79,833,600 kilowatt hours of firm energy and 70,166,400 of secondary energy the second year; and 96,744,450 kilowatt hours of firm energy and 78,255,550 kilowatt hours of secondary energy the third year. At the end of this three year period the same absorption period allowed under the original contracts to other power purchasers will have been exhausted under the terms of the interim agreement, and thenceforward the original schedule will prevail.

In addition to the purchase of this energy during the three year period covered by the interim agreement at a total price estimated at \$483,053 the company will be required to pay during this period \$300,000 for the use of the power machinery.

Except for the interim contract, the power revenues of \$483,000 would have been lost to the government and interest on the investment

in the generating unit amounting to \$120,000 would have been deferred.

"The water which will be used in turning the turbine to generate this power," John C. Page, Reclamation Commissioner, said, "will have to be released from Lake Mead through the Boulder Dam outlet works in any event, for it is needed by water users downstream. No water, therefore, will be wasted. That water which is at this time being released for the irrigators below will be put to work in the power house when this contract is completed."

The utility company's power line is ready for operation, having been

built several years ago to supply power to Boulder Dam during the time when the dam was under construction.

The absorption schedule contained in the interim agreement is the same as that in other contracts for the purchase of power. The contractor is obliged to pay firm power rates for 55 percent of the total amount of firm energy contracted for during the first year; 70 percent during the second year and 85 percent during the third. All energy used by the company in excess of the amount determined by this absorption schedule will be paid for at the secondary power rate.

NEW MEMBERS OF CHAMBER

Crow Brothers Radiator Company was elected to membership in the Chamber of Commerce Tuesday on recommendation of the membership committee.

The application of DeLuxe Auto Court under the ownership of Chas. I. Rettig, was received and referred to the committee.

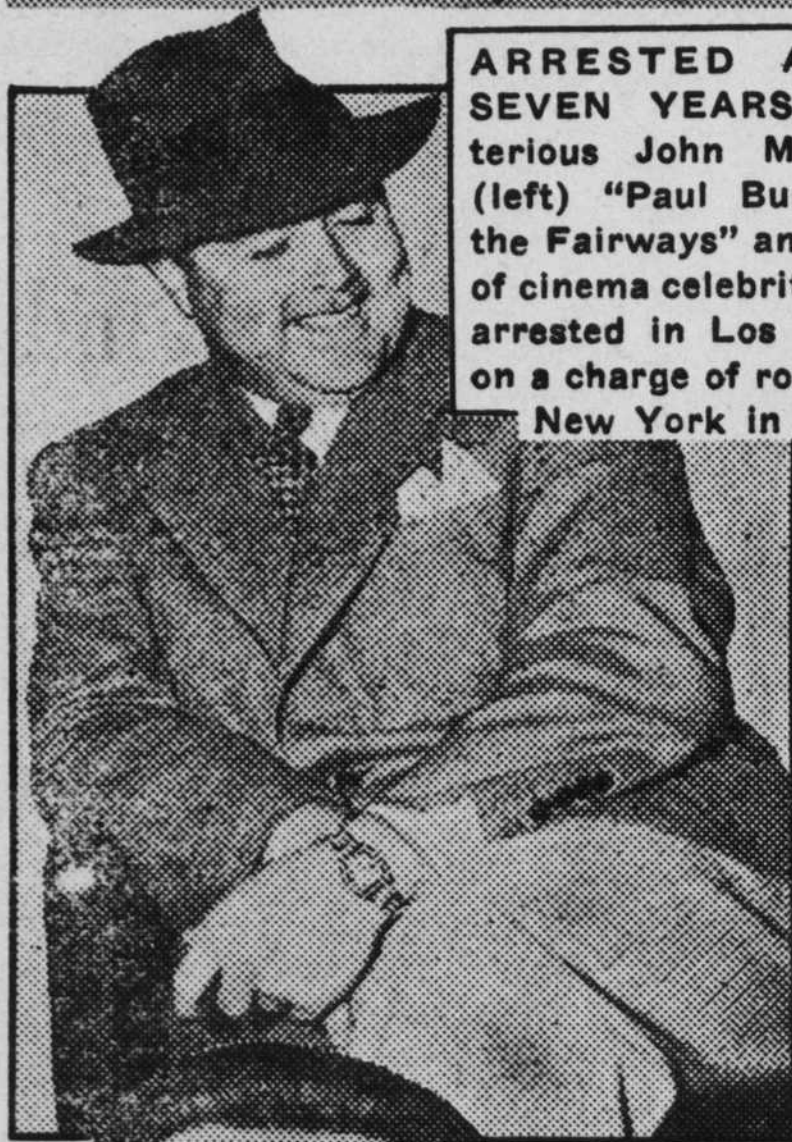
EDGAR NEWCOMB HERE

Edgar Newcomb, who has been in Vegas visiting his mother, Mrs. J. Fred Hesse, the past week, plans to leave Sunday for San Francisco.

In The WEEK'S NEWS



TOMORROW'S AUTOMOBILE— Photo shows judges examining model cars entered in the 1937 Fisher Body Craftsman's Guild competition at American Museum of Natural History in New York City. Similar regional exhibits were staged in nine other cities.



ARRESTED AFTER SEVEN YEARS— Mysterious John Montague (left) "Paul Bunyan of the Fairways" and friend of cinema celebrities, was arrested in Los Angeles on a charge of robbery in New York in 1930.



RECEIVES HONOR— Col. Henry L. Doherty, scientist, engineer and national chairman of the Birthday Ball for the President, who received an honorary LL.D. from Temple University, declares that American colleges must keep pace with the times. "What American youth needs is a deeper insight into current world affairs," he said.



SETS WORLD DISTANCE FLIGHT RECORD— Mikhail Gromov, Russian flier, took off with two other aviators on another adventurous flight from Moscow to California by way of the North Pole. They landed at San Jacinto, about 65 miles southeast of Los Angeles, a record distance of 6025 miles.

DANCE FROCK— Crepe material make this lovely dance frock. It is white with clusters of white daisies, red carnations and hollyhocks. It has a fitted bodice and graceful skirt flaring from the hips. The short puffed sleeves are gathered at the shoulders with bows of cherry red grosgrain ribbon.



COLLAPSES AT RIOT HEARING— Ralph Dunham, victim of a beating near the Ford riot scene collapsed in the witness chair at the hearing conducted by the National Labor Relations Board on a complaint charging the automobile manufacturer with violating the Wagner Act.