Dear Senator:

This is in reply to the telegram of December twenty-eighth signed by you and a number of your colleagues regarding the Federal power policy in the Missouri Basin.

I believe that recital of the following facts will convince you that no useful purpose could be served by suspending the application of the Missouri Basin power marketing criteria.

1. The January 1, 1951, date does not have the significance that you seem to attribute to it. The Department of the Interior merely requested the various preference customers to indicate to the Department in a preliminary way by January 1 their requirements for power. Until final contracts have been signed by the Department with preference customers, there will be ample time for the preference customers to make changes in their requirements if they so desire, as well as ample time for Congress to examine the marketing criteria.

2. Even after contracts have been entered into with preference customers, their future needs for additional power will be met to the extent of the power available. That is to say, power available at the time of contract negotiations with the preference customers but not needed by them until a later date will be reserved for them by disposal under short-term interim contracts with other customers so that it will be available to the preference customers when they desire it.

All of the above facts were presented in the recent hearings before the Anti-Trust Subcommittee of the Senate Judiciary Committee, and are a matter of record. In the light of these facts, it is clear that no preference customer's rights could possibly be jeopardized by the application of the Missouri Basin power marketing criteria. In the interest of every taxpayer, it is essential that when the new power in the Missouri Basin comes into production in 1952 such power be put to use and converted into revenue forthwith.

With kind regards,

Sincerely,

[Signature]

The Honorable Herbert H. Lehman
United States Senate
Washington, D. C.