DIXON NEMESIS FIGHTS MOSES-ALCOA DEAL.

The American Public Power Association, which played a leading role in exposing the Dixon-Yates contract, today joined the growing opposition to the Moses-Alcoa agreement over St. Lawrence power. The organization, composed of the members of Municipal Power plants from coast to coast, said the Moses-Alcoa contract appears to violate provisions of the New York Power Act. It cited two sections of the law which the agreement seems to circumvent. The first provides that development of the St. Lawrence and Niagara Rivers Power Project shall be considered primarily for the benefit of the State as a whole and particularly the domestic and rural consumers. Another section specifies that sale to and use by industry shall be a secondary purpose of publicly developed power.

The Association feels that the Moses-Alcoa deal would deprive New York and New England consumers of cheap electricity, it was explained. The Association, it was learned, will urge Governor Harriman to postpone approval of the Alcoa contract until the Power Authority tells how it will distribute all 941,000 kw to be developed on the St. Lawrence River.

After lengthy negotiations, the St. Lawrence Power Authority Chairman Moses drafted a contract under which the Aluminum Company of America would receive more than 25% of St. Lawrence power until the year 2003.