

DEPARTMENT of the INTERIOR

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TVA, INTERIOR RELEASE TELLICO REPORT

WASHINGTON, D.C.--The Tennessee Valley Authority (TVA) and the U. S. Department of the Interior (DOI) today released to the Congress and the public their joint report on alternatives for completing TVA's Tellico Dam and Reservoir Project.

The introduction to the report reveals that there are several feasible and beneficial alternative ways to develop the 38,000 acres of Tellico Project lands but does not purport to decide which development option is best. However, the report notes that recent evidence indicates that the snail darter issue may ultimately not control the final decision as to how the Tellico Project shall be completed.

Results of recent sampling work indicate that the snail darter is surviving and reproducing in the Hiwassee River where 710 were transplanted in 1975 and 1976. As of August 4, sampling indicates that there may be as many as 3,700 snail darters in the Hiwassee.

Similar sampling work indicates that the number of snail darters in the Little Tennessee may now be less than 500. "While this is the first major attempt at scientific measurement of the population of the Little Tennessee River, it does indicate a major and significant decrease in numbers observed and captured in past years," the report says.

Fishery biologists are generally agreed, however, that there is insufficient data to ensure success at present and that it will take additional time to accurately determine the possible permanent success of transplant effects.

"The purpose of this analysis is to lay out the various alternatives so that policy makers can make informed comparisons and wise decisions," the report states. "It is hoped that this report will elicit comment and excite discussion from all those who have an interest in and concern for Tellico." The public will be given 30 days to make comments on the report which will be included in the official record.

The report defines three basic options for completing the Tellico Project:

1. Close the dam and form a reservoir as originally planned. "It is entirely possible that the project can be completed as originally planned, using the flexible approach encouraged by the Endangered Species Act," the report notes. "It will be necessary to secure the continued well-being of the snail darter by whatever means are available. Transplantation, which already has shown promise, may be one such means."

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2. Leave the dam in place but open, and build a dam and reservoir project on Tellico River tributary of the Little Tennessee. The report states that this alternative, at this stage, does not warrant further study because it "would only add to the cost of the project and produce very little benefits."

3. Develop the river and the surrounding project lands without creating a permanent reservoir. Two variations were examined under this alternative. The first envisioned using the Tellico Dam as a "flood control only" dam, resulting in the creation of a small "temporary" reservoir only when necessary to control floodwaters. The second option examined removal of the earthen portion of the dam, allowing the river to return to a "natural" flow condition in the east channel around Bussell Island.

Another option would be to pursue none of the project completion options but to liquidate the project by removing the earthen portion and selling most of the land at the highest possible price. On a net liquidation basis, including the cost of earth dam removal and restoration of a bare minimum of bridges and roads, the land sales and monies saved could save the taxpayer between \$30 - \$50 million, the report says.

The report notes that the question at Tellico is not whether to build a project, since \$109 million has already been invested in the project.

"The issue at hand is how best to finish it," the report states. "Since the project is more than 90 percent complete, the benefits exceed the remaining costs for both the reservoir and the nonreservoir options, even though none of the alternatives studies would be economical if begun today "from scratch" using current methodology and discount rates."

The report points out certain safety questions remain to be resolved for the dam and reservoir project and if the alternative of using Tellico as a "flood control only" dam is pursued. The report says that although the possibility is quite remote, the project as originally designed will not contain the "super flood" under new dam safety criteria without additional spillway capacity. A "flood control only" dam at Tellico would pose a somewhat greater risk since it would not contain the maximum flood for which the project was designed without the addition of even more additional spillway capacity to the dam.

The report states that even if the snail darter and dam safety issues are resolved, it is not clear whether a reservoir development option or a river development option would benefit society most.

"The values that would be lost if the reservoir lands became a lake bottom might--or might not--exceed the benefits of the lake," the report says.

The report points out that some benefits such as power production and flood control can be predicted through proven engineering analyses. Other benefits, such as recreation, can be estimated in dollars, but these estimates rest so heavily on judgments and assumptions that the dollar figures convey a misleading sense of certainty.

"Even more elusive, and hence more frustrating, are those benefits which are of obvious, perhaps even immense, public worth, but for which there is no generally accepted measure of value," the report says. "Several resources at Tellico fall into this class--an endangered species, archaeological and historical sites, and 33 miles of flowing river with exceptionally high water quality and sport fishing value. The real social and economic worth of 14,000 acres of valuable farmland, including about 7,700 acres of rich bottomland, is also difficult to judge by conventional measuring techniques."

The report points out that the principal criteria governing the planning of major federal water projects today recognizes that value apart from dollar costs and benefits must be meaningfully incorporated into both planning and decision making. A concern of the TVA-DOI task force was that many resources that would be destroyed or severely altered by Tellico Dam and Reservoir cannot be reflected fully in an analysis of the economic benefits and costs or in comparisons of alternatives, the report says.

"The snail darter dramatizes the dilemma," the report says. "Is it priceless? Or worthless?" The same question can be asked about the prime farmland, the preservation of the eighteenth century homeland of the Cherokees, the flowing waters of the Little Tennessee, and other resources that would be either lost or degraded by a dam and reservoir project, but would be preserved if a river development option is selected.

"Thus the assumptions and value judgments of the decision maker will be more controlling than the facts, since the benefits to remaining cost ratios are generally positive enough to provide some support to a decision for either option," the report states. "The computers and calculations of experts give only very rough guidance. We believe the public should take an interest in this issue and express their views."

Work on the report began shortly after June 15 when the U. S. Supreme Court held that the Endangered Species Act applied to Tellico and the project could not be completed as planned because of its effect on the endangered snail darter fish. Tellico Dam is located near the mouth of the Little Tennessee River in east Tennessee.

TVA and DOI formed a joint high-level task force to examine all possibilities for translocation of the snail darter as well as alternatives for completing the project. The report being issued today is the result of several weeks of intensive work by the members of the task force.

Copies of the report can be obtained from TVA Information Office in Knoxville, Tennessee, or the U.S. Fish and Wildlife Service Office of Public Affairs in Washington. Comments on the report can be addressed to either agency for inclusion in the record. (At Interior, comments should be directed to Ms. Sheila Minor, Office of the Assistant Secretary for Fish and Wildlife and Parks, Room 3145, U.S. Department of the Interior, Washington, D. C. 20240.)