



FOR THURSDAY P.M. PAPERS
JUNE 10, 1954

NEWS RELEASE

from the Desk of SENATOR HUBERT H. HUMPHREY

140 Senate Office Building, Washington 25, D.C., National 8-3120, Ext. 881

COMPLETION OF WESTERN MINNESOTA TRANSMISSION LOOP PREDICTED

Despite repeated delays, western Minnesota will eventually get its long-sought high voltage transmission line bringing Missouri Basin hydroelectric power into the state at lower rates, and linking Minnesota into a grid system with power sources in both South Dakota and North Dakota, Senator Hubert H. Humphrey predicted today in an address at the first annual "Willie Wirehand Days" celebration at Benson, Minnesota, sponsored jointly by the Benson Chamber of Commerce and the Agrilite Rural Electric Co-op.

Success of that project, he declared calls for extending the transmission line beyond Granite Falls to Benson, to Fergus Falls, and to Fargo, rather than just from Big Bend, South Dakota, to Granite Falls, for which funds have now been provided.

Assurances that the line would eventually be extended northward and westward to complete the proposed transmission grid through Benson and Fergus Falls before 1960 were obtained from ranking majority and minority members of the Senate's Interior Appropriations Subcommittee during debate Monday on this year's appropriations, Senator Humphrey revealed.

Minnesota's rural electric co-operatives and private utilities are united in "fighting for the recognition our state deserves in getting hydroelectric power from the Missouri Basin," Senator Humphrey declared.

"We in Minnesota have asked for very little, but, unfortunately, we have been granted much less. Included in the Interior Appropriation bill this year is a good start toward the high voltage transmission grid we need, but it is only a half a loaf when a full loaf is needed."

During floor debate on Interior Appropriations this week, Senator Humphrey said, Senator Cordon, Chairman of the Interior Appropriation Subcommittee, and Senator Hayden, ranking minority member, "both agreed on merits of the extended grid pattern, and concurred that it must be completed by the time the Oahe power becomes available in 1960."

What hydro-electric power can mean to Minnesota's electric consumers in terms of lower cost was emphasized by Senator Humphrey.

"The cooperatives in Minnesota that are requesting construction of these transmission facilities purchased some 225,000,000 kilowatt hours in 1953 at cost of some \$2,900,000. This is an average cost of 13 mills per kilowatt hour paid by the cooperatives at wholesale for their energy -- one of the highest wholesale energy rates paid by the cooperatives anywhere in the country. If the power had been purchased from the Bureau of Reclamation at the presently established 5.5 mill rate, these cooperatives would have realized a saving of \$1,700,000. By 1960, the increased loads of these cooperatives will enable them to save some \$3,600,000 per year if the Bureau of Reclamation power is made available to them by that time," Senator Humphrey declared.

FOR MONDAY P.M. PAPERS
JUNE 14, 1954



NEWS RELEASE

from the Desk of SENATOR HUBERT H. HUMPHREY

140 Senate Office Building, Washington 25, D.C., National 8-3120, Ext. 881

DAIRY POLICIES DISCRIMINATE AGAINST MINNESOTA

Minnesota's dairymen received "the lowest average wholesale prices for all milk in the Nation" during May, Senator Hubert H. Humphrey declared today in an address before the Board of Directors of the Red River Valley Co-op Power Association at Halsted, Minnesota.

Average prices received by farmers in Minnesota for all milk, wholesale, per hundred weight, he said, was \$2.90 -- amount to 60% of parity.

Senator Humphrey contrasted that price with average prices for all milk in Florida of \$6.70, in Rhode Island of \$5.65, for New England as a whole of \$4.16, and the national average of \$3.50.

"While price supports are provided only for manufacturing milk, these averages for all milk show how present policies of the Department of Agriculture are discriminating against the midwest, and further widening the distorted regional price spreads in milk," he declared.

"If any dairy products are being 'priced out of the market' as Secretary Benson contends, it is fluid milk along the eastern seaboard, not milk produced in Minnesota. Yet Secretary Benson has insisted on slashing support for manufactured milk upon which our dairymen must depend for outlets, and refused to touch the barriers shutting off eastern markets from us and holding down fluid milk consumption by maintaining unreasonably high milk prices in our major cities."

Present policies threatening to "squeeze our dairymen to the wall", he said, include:

1. Lowering of dairy support prices from 90% to 75% of parity.
2. "Jiggling down" the parity price of manufactured milk to make it appear farmers are getting 75% of parity when "actually they are only getting a national average of 72.1% of parity", despite Benson's promise to make support levels "effective" at the 75% level.
3. Downgrading of butter through new standards and tighter inspection on government purchases that means still lower support prices for a larger quantity of dairy products and none at all for butter formerly rated "B" grade but now being designated as "C".
4. Maintenance of barriers against free flow of milk into major marketing centers, creating artificially high prices for fluid milk that holds down consumption and increases eastern seaboard production overflowing into manufacturing milk markets normally the outlet for midwest dairy production.

Senator Humphrey promised a "determined fight" during the remainder of this Congress to "restore at least part of the uncalled for slash in dairy support prices. Cost squeeze on dairy farmers, Senator Humphrey said, "emphasizes the tremendous importance of low cost electric power on our farms".

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FOR SUNDAY RELEASE, JUNE 13, 1954

REA'S APPROVAL WILL SOON BE FORTHCOMING FOR JOINT PURCHASE OF THE GENERAL MINNESOTA UTILITIES COMPANY BY SIX MINNESOTA RURAL ELECTRIC COOPERATIVES, SENATOR HUBERT H. HUMPHREY REVEALED TODAY.

CONSOLIDATION WILL MAKE IT POSSIBLE FOR THE COOPS TO EXTEND INTO NEW UNSERVED AREAS, ENABLING THEM TO CONNECT ELECTRIC POWER TO 1,300 UNSERVED FARMS, SENATOR HUMPHREY DECLARED.

ASSURANCES THAT A "GREEN LIGHT" WOULD BE GIVEN THE IMPORTANT POWER PROJECT WERE GIVEN SENATOR HUMPHREY BY REA OFFICIALS IN WASHINGTON FRIDAY.

"THE GENERAL MINNESOTA UTILITIES COMPANY HAS BEEN LOOKING FOR A BUYER FOR TWO YEARS OR MORE, AND SIX RURAL ELECTRIC COOPERATIVES HAD FILED APPLICATIONS FOR LOANS TO FINANCE PURCHASE OF THE GMU FACILITIES IN THEIR RESPECTIVE AREAS. THE QUESTION INVOLVED WAS WHETHER IT COULD BE DONE LEGALLY.

"IN RESPONSE TO OUR REQUEST FOR A PROGRESS REPORT, THE REA HAS INFORMED ME THAT THE FINDINGS IN ALL SIX CASES WERE AFFIRMATIVE. THE ACQUISITION IS LEGALLY PROPER.

"I AM INFORMED THAT APPROVAL OF THE NECESSARY LOAN WILL TAKE PLACE WITHIN THE NEXT TWO WEEKS, AMOUNTING TO AROUND \$3,000,000. EACH COOPERATIVE WILL ACQUIRE A PORTION OF THE GMU FACILITIES, WHICH NOW SERVE 2,500 CONSUMERS. IN ADDITION TO EXTENDING SERVICE INTO NEW AREAS, THE CONSOLIDATION WILL PERMIT IMPROVED SERVICES TO THOSE ALREADY BEING SERVED."

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COOPERATIVES INVOLVED IN THE CONSOLIDATED PROJECT ARE:

CARLETON COUNTY COOPERATIVE POWER ASSOCIATION, KETTLE RIVER.

MILLE LACS REGION COOPERATIVE LIGHT & POWER ASSOCIATION, AITKIN.

NORTH PINE ELECTRIC COOPERATIVE, FINLAYSON.

DAIRYLAND ELECTRIC COOPERATIVE, GRAND RAPIDS.

NORTH ITASCA COOPERATIVE, BIG FORK.

BELTRAMI ELECTRIC COOPERATIVE, HEMIDJI.

RURAL COUNTIES SERVED BY THESE COOPERATIVES INCLUDE: AITKIN,
BELTRAMI, CARLETON, CASS, CROW WING, HUBBARD, ITASCA, KANABEC, KOOSKIPING,
PINE, AND ST. LOUIS.

HUBERT H. HUMPHREY



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