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## PROPOSED DEVELOPMENT CENTRAL MAINE POWER COMPANY MAMMOTH PROJECT

\$7,000,000 Dam Located Near Bingham Will  
Greatly Aid Commerce Over Wide Area

(Special to The Independent-Reporter)

Elsewhere in this issue will be found an announcement by the Central Maine Power Company of the building of a new dam in Moscow, a little more than a mile above Bingham. This project has been under consideration a good many years and surveying crews from time to time have been at work in the vicinity of the proposed location. This activity has included drilling on one or both sides of the river at about 100 foot intervals to discover the variety and condition of the substrata. Real estate purchases or options have been made by the Central Maine presumably of all the land which will be flowed out by the proposed dam. Many of these have been with the agreement that the vendor could remove buildings, wood, and lumber, and this removal will go on actively during the construction period.

This announcement is most welcome news for the entire valley. The spending of seven million dollars at the point indicated will be a great aid commercially over a wide area. Beyond that no man can say positively, but the making available of four thousand horsepower gives opportunity at least for new industries. There is much reason for believing that a large part of this energy can be marketed near by.

The larger part of the expenditure will be in the town of Moscow, but the westerly end of the dam will be in Pleasant Ridge. Both of these municipalities will benefit by

substantial addition to their taxable property.

The building of the dam will alter the face of nature in a most extraordinary way. Those who have driven the Canadian highway beyond Bingham will recall a steep and very winding hill leading up from the Austin stream intervalle. Glancing directly ahead from the top of this hill the striking feature of the view is Baker Mountain with an altitude of between five and six hundred feet. While we have no authority to give the exact location of the dam it may be said that some previous surveys have indicated that its easterly end would start from the eminence just referred to and that its termination would be against Baker Mountain 600 feet high, on the westerly side. If this is the case, the structure will be nearly 4000 ft. long.

This important modification of the river flow creates interest in the water levels on the Kennebec. These are: Augusta, 25 ft.; Waterville, 52 ft.; Winslow, 76 ft.; Fairfield, 88 ft.; Shawmut, 112 ft.; Skowhegan, 156 ft.; Madison, 221 and 242 ft.; Solon 306 ft. Thus far the figures refer to crests of the dams at the points indicated. The surface of the water at average height at Bingham is 340 ft. At the dam location, a little more than a mile northerly, it is probably 355 ft. At the foot of Carryingplace 450 ft. and the new dam will flow the water back to about that point. At Caratunk the river level is 485 ft. and at The Forks, 565 ft. The level of Indian Pond is 925

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ft. and at Moosehead Lake the source of the Kennebec 1027 ft.

From the dam northerly for about eight miles the old Canadian highway will be many feet under water. This will require the building of a new road which will go over the high ground to the east.

We are publishing herewith a map of a portion of Somerset County. This shows Moosehead Lake and its most important tributary, Moose River. It also shows the valley of the Kennebec down past West Forks, The Forks, and Caratunk between Moscow and through Bingham. In searching for the dam location observe the continuous northerly line of the towns of Concord and Bingham. The dam is just above this line, crossing the Kennebec, just below the word "river."

The following letter from the officials of the Central Maine Power Company to its stockholders announces the building of the Bingham dam which has been under consideration for many years.

Sometime during the next few months your Company will begin the construction of a 100 foot dam and a 40,000 horse power hydroelectric station on the Kennebec river in the town of Moscow, about one and a half miles above the village of Bingham.

The estimated cost of constructing this new plant is seven million dollars and it is expected that the new dam will be ready to fill with water in the spring of 1931. At the present time our engineers are busy with problems of design and working up final estimates.

Your Directors voted to proceed with this construction at a meeting held June 27, last, and it is hoped to get work well underway before winter sets in.

During the 12 months ending October 1, 1925, that being the month when construction on the Gulf Island plant began, the Company generated about 169,000,000

kilowatt hours. As things are now going it appears likely that in the calendar year 1928 it will generate about 242,000,000 kilowatt hours.

As the capacity of Gulf Island plant in an average year is around 90,000,000 kilowatt hours, it is evident that if the rate of growth which the Company has enjoyed for the last 10 years continues, then we must have additional generating capacity before long. In addition to our own growth we shall undoubtedly supply a constantly increasing amount of power to the Cumberland County Power & Light Company. Both that company and the Central Maine Power Company are now owned by the New England Public Service Company and the combined output of the two companies this year will be about 390,000,000 kilowatt hours. An increase of 10% per year would mean that by the end of 1933 the two companies together would be requiring something like 190,000,000 additional kilowatt hours annually and this is about the output that is expected from the Bingham plant.

Getting together the land and water rights necessary for this development has taken a long time. Getting the money necessary to pay for them has not been as easy in the past as getting money for construction is now. When we bought the first parcels of land on which this new dam will be located, Central Maine Power Company was very small and probably, together with all the companies that have since been absorbed by it, did not require more than ten or fifteen million kilowatt hours per year.

The Bingham site had, at that time, never been recognized as a place where a dam might be built. The cost of foundation for a dam 50 or 60 feet high at that point would make the structure too expensive to build and people had not begun to think much about dams over 15 or 20 feet high. Therefore I suppose it seemed rather foolish for a company that did not seem large enough to ever need a dam on the Kennebec river to talk about building one so large in a

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place where most people did not believe any could be built at all. There were, however, four of us who did believe in it, and in 1908 Harvey D. Eaton, James H. Kelleher, George D. Haggarty and myself formed the Robinson Land Company, made a payment on the original parcels of land and agreed to pay the balance. Central Maine Power Company took a majority of the common stock. At that time we spoke of it as an undertaking that would require 20 years for its building but I think secretly we hoped and believed that we would come to the building of it long before that.

There is a great deal to this business of building big dams, however. They cannot be built unless a lot of money is available to pay the bills for construction and in turn this money cannot be had unless there is a market for the power to provide revenue for paying the cost of operation and maintenance, for setting aside a depreciation fund and to pay a fair return on the investment. In all the 20 years the Central Maine Power Company has never been large enough to undertake this work. In 1921 it bought the land from the Robinson Land Co. and during the whole twenty year period it has from time to time been buying up farms, moving cemeteries and doing other work necessarily preliminary to actual construction.

As time went on after our first purchases and we kept talking about the possibilities of power on the Upper Kennebec more people began to pay attention to it. I think the ownership of this particular site had a good deal to do with the successful placing of our first bond issue in 1910. I know it had a great deal to do with getting out a second bond issue in 1921. The ownership of this site and of others on the Upper Kennebec still more important was one of the great elements of value which was in the Central Maine Power Company common stock prior to its sale to the Middle West Utilities Company and which was not recognized by the people at large. It was, however, very quickly recognized by representatives of the Middle West Utilities Company when they

came to look over the Central Maine property.

As mentioned before, your Company has other and much larger undeveloped powers on the Kennebec river. While the Bingham development will produce power considerably cheaper than any plant which we now have, yet we shall not get the cheapest power which can be had on this river until our largest site is developed. We would like to build this larger plant now but cannot do so because of lack of market. If some plan could be agreed upon by which surplus power could be taken out of the state until it is needed here, we believe progress could be made with other developments very soon.

There are very few other places in the country that can produce energy in large quantities as cheaply as this Upper Kennebec water powers and they should be put to work as soon as possible. The result would be a great benefit to the State and the people in it as well as to your Company.

In times past when we have begun a development which seemed large quite a few people have been fearful that we had undertaken too much and that the Company would suffer from having too big a quantity of power on its hands. This has never proven the case. When we built Skowhegan in 1919 the output was soon sold and we remodeled and built one or two smaller plants before going ahead with Gulf Island in 1925.

Past experience has shown that the Company must anticipate its growth by three or four years and that the construction of these plants is extremely beneficial to business.

The last 12 months have been the best from the point of view of business done and money earned of any year that your Company has ever had. It has taken on a large number of new power customers, made many rural extensions, increased its earnings and substantially reduced its rates

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in many of its Districts. Still further rate reductions are in process of being worked out.

Business conditions in all parts of our territory are at present unusually good and I believe that the year 1928 will show even better results than the 12 months ending May 31<sup>st</sup>.

Salesmen are still at work trading out our stock and some of them are telling all kinds of stories about the Company and its securities. I believe, however, that holders of our stocks have an exceedingly good investment and I hope to see them all keep what they have and add to them from time to time.

Statement of earnings for the Central Maine Power Company System for the 12 months ended May 31, 1928: Gross income, \$5,962,861.42. Depreciation accrual and actual maintenance expenditures, \$769,964.62. Other Operating expenses, \$2,441,218.19. Balance, \$2,751,678.61. Federal taxes, interest, and guaranteed dividends on stock of subsidiary companies, \$1,441,817.08. Dividends on preferred stock, \$952,261.03. Balance, \$489,556.05.

Very cordially yours,  
WALTER S. WYMAN,  
President