

Good Morning TOP of the NEWS

FAIR. The National Weather Service is predicting continued fair and mild weather with temperature extremes of about 30 and 35 today and tomorrow. Yesterday's extremes were 84 and 34. Details on Page 14.

Global

SECRET POLICE PURGE. The new Portugal goes just as reorganizing the dreaded police police. The junta promises to weed out the leftists. Page 14.

BOOK ABOUT HESS. A Montana man, former jailer of war-crimes prisoner Rudolf Hess, is his public in a book from the old Hess's place in history and a look behind the walls of Spandau Prison. Page 34.

GOLAN AIR BATTLES. Syrian and Israeli fighters clash over Mt. Hermon. Syria says five Israeli F-4s and two Syrian MiGs are shot down and Israel says it lost no planes but downed four Syrian jets. Meanwhile, Secretary of State Henry Kissinger confers with Algerian President Houari Boumedienne. Page 24.

National

JACK ANDERSON. Confidential FBI election campaign memos indicate that President Nixon arranged special tax breaks for the film industry in an effort to get political support from movie stars. The column reports on Page 14.

MARYLAND PROBE. A US attorney is investigating reports that close associates of Maryland's Gov. Marvin Mandel received jobs for selling jobs and judgeships. Sources say, although Mandel is not presently under probe, the attorney's ultimate goal reportedly is to determine if he was involved. Page 14.

RETALIATION CLAIMED. The CBS and ABC television networks accuse the Nixon administration of bringing an antitrust suit against them in retaliation for their extensive coverage and other instances of refusing to "play ball" with the administration. Page 14.

CHRYSLER SETBACK. The Chrysler Corp. announces a 10% plunge in its first quarter profits as compared with last year's equivalent period, and announces a price increase as partial compensation. The move draws sharp criticism from the director of the Cost of Living Council. Page 8.

PRISON CENSORSHIP. The Supreme Court rules that inmates' mail can be censored by prison officials only to the extent required to preserve order and security in the prison and to further the rehabilitation of inmates. Furthermore, inmates must be granted the right to challenge specific instances of censorship. Page 24.

MURKIN'S CHALLENGE. Arkansas Sen. J. W. Fulbright, seeking a writ from the court, is staging an uphill legal fight against state's new law, Title 16, which is that state's primary election approach. Page 8.

WIRETAP LARKS. The FBI, citing prohibition under law and court decisions, tells a House panel that the agency would not change allowing domestic intelligence wiretaps. Page 5.

Arizona

BY-PRODUCT STUDIED. Sulfuric acid, an abundant by-product of cleaning smelter smoke, is being used in a study to see if it can be commercially applied to fertilize soil built-up in farming and to release iron and phosphorus as fertilizers, a study reports. Page 18.

Local

ADVISORY STATUS DENIED. Tucson School District (Supt. Thomas L. Lee) rejects a request by the Mexican-Americans for Equal Education for federal advisory status. A spokesman for the group says it may break off the series of discussions it has been having with Lee if it is unable to achieve more influence. Page 18.

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10,000 Years In Antarctic Ice Ancient Frozen Bacteria Alive, Growing

WASHINGTON — Bacteria apparently from an Antarctic ice core that is at least 10,000 years have grown and reproduced in a laboratory, scientists reported Monday.

The bacteria were found in permanently frozen sediments at depths of several hundred feet below the surface. Four or five different bacterial types were found, some of which grew and reproduced when put in nutrient liquid.

The leader of the research team said the discovery could have important bearing on the prospects for finding life on such planets as Mars.

TGE Head Denies Budget Mismanagement Charge

By RICHARD HALL Staff Writer

The Tucson Gas & Electric Co. is trapped between Southern Arizona's recent population growth and an inflexible legal mandate to serve each new customer, TGE President J. L. Davis said the Arizona Corporation Commission yesterday.

TGE's annual operating budget to meet that demand, he said, is controlled through monthly reports from department heads and his own authorization of their supply expense exceeding limits.

Davis, an unseated witness in TGE's hearings before the commission on its recent rate-of-return proposal, took the stand in answer to charges of fiscal mismanagement made Friday by City Atty. James D. Webb.

Webb said TGE's 1973 budget document, which Davis said yesterday that the two had

obtaining to item-by-item expense accounting gave TGE a perfect opportunity to adjust its budget to the actual needs of its customers, he said.

Davis, former Tucson city manager and assistant city attorney, argued that TGE's budget is tightly controlled by top executives but may come under "line-item" control next year with the hiring of a new budget manager.

Davis announced that Kenneth L. Sudd, former assistant controller of the Columbus & Southern Gas & Electric Co., had been hired and would join TGE tomorrow to fill the budget control job that Webb had pointed out.

In his angry attack Friday on what he called TGE's "mess and poor program" budget, Webb waved a copy of the city's 1973 budget in the air and demanded to know why TGE lacked a similarly detailed document.

But Davis said yesterday that the two had

gets made an apples-and-oranges comparison. While the city's outlays are dictated by the City Council based on departmental requests, he said, TGE's budget is dictated by the power demands of its customers.

Under state law administered by the corporation commission, TGE must serve all customers within its franchise. "But in government budgets, there is a tendency to spend what's budgeted, regardless of expense or need," Davis said.

TGE's chief executive detailed the financial chain of command that controls day-to-day expenditures, a personal series of checks and balances which may change with the hiring of Sudd.

"Our budget control is not done in the manner of the bigger utilities — but it will be, because we're becoming larger," Davis said. TGE's defense of its admittedly personalized budget system has been hampered by the loss of two key executives, Treasurer R. D. Brooks,

who died Oct. 1, and Merrill J. Schwan, electric department chief, who resigned recently.

"The real test is that, we have met the demands of our customers for gas and electric service," Davis said. "We're not like a parks department operation that can't do certain things because we don't have a budget — we have to."

TGE's allegation of demand were jarringly by unduly rapid inflation, expensive air pollution controls required under 1970 federal legislation and the hot summer.

The \$2 million in annual revenue that TGE would receive from the proposed rate increase would not help pay directly for its fall-paired construction program. Instead, it would be a shot in the arm to TGE's stock position, thus encouraging long-term investors to finance the 1974 bond capital program through 1974.

The hearing will resume today at 9:30 a.m. for cross-examination of Davis by other rate

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Edited Transcript Of Tapes Offered To Panel By Nixon

President Predicts Sensational Stories



Controversial Material President Nixon points to transcripts of tapes he will turn over to the House impeachment investigators and to the public. Nixon discussed his decision to release them in a television address last night. (AP Wirephoto)

WASHINGTON — President Nixon announced Monday night that he would turn over to the House Judiciary Committee and make public today 1,200 pages of edited transcripts of Watergate conversations.

Appearing on national television in an emotional plea to the American people to believe that he is innocent in the Watergate cover-up, Nixon said the portions of Watergate tapes released before the President's national jury would be the most revealing and would be necessary and advisable.

The initial Republican reaction on the committee was split by House Democrats, who had sworn that if the stock of edited transcripts displayed by Nixon on television represented "the complete record of Watergate" when the President says it does, then I think it would be adequate."

But Democrats replied to Nixon's proposal by arguing it inadequate, "comprehensive" and fairly and said that the tape recordings themselves would be essential in order to sort out conflicts in Watergate testimony and clarify the President's speech.

Phoenix Area Prison Site Backed

From Star Phoenix Bureau

PHOENIX — The Arizona Joint Legislative Budget Committee voted Monday to locate a new, 10,000-bed medium security prison in southwest Phoenix. The action postponed at least until next year a decision on a second such prison in Tucson.

The group also directed Atty. Gen. Gary Nelson to start condemnation proceedings on 40 acres of the 10-acre parcel of property at 27th Avenue and Durango Street, which is owned by Southern Railway Leasing Co. and Durango Street location, had been reported since \$1.1 million was appropriated a year ago.

Rep. Art Hamilton, D-Phoenix, one of three Democrats who represent the district encompassing the site, has called it "a dumping ground for anything, no one else wants." Residents of the district are predominantly nonwhite blacks and Mexican-Americans.

Hamilton later said in a press speech that the decision was "a rape of south Phoenix," and asked that the legislature override the legislature's vote.

Goodman also said in a speech that he would not be "over" in asking the joint budget committee to reconsider its action, but called for a speedy decision. In the earlier meeting, only Rep. James Baldwin, San Cristobal, "several members were absent."

Hamilton said he may work toward getting a court injunction to stop the building of the prison at that site.

Hamilton said Monday that the prison was not wanted by the people there and that the location was within a half mile of schools.

The Arizona Republic's Phoenix morning newspaper also has opposed the site.

John Moran, Department of Corrections director, said the site was ideal and in line with the objectives of having a prison in an urban area and near training facilities, pools of manpower and a university. It also is within a mile of Interstate 17. Preliminary drawings of the proposed correctional facility for five-time justice offenders show eight stories of campus-style buildings designed to help train the inmates for adjusting to normal life before he is fully released. Dr. John Clark, a Phoenix dentist and member of a religious group, expressed opposition to the site. "It's one of the most urgent things that's come up in a long time. We've got 80 per cent of the felonies walking the streets."

Gurney Denies Florida Voting Law Violation

TALLAHASSEE, Fla. (AP) — Sen. Edward J. Gurney, R-Fla., a member of the Senate Watergate committee, has been indicted by a grand jury here on charges of violating state election law, his office announced Monday.

Gurney immediately declared his innocence and formally filed a judicial writ of habeas corpus with Democrats seeking his release.

John Gardner, Gurney's Washington press aide, said Gurney had been indicted under a law that prohibits accepting campaign funds without designating a campaign treasurer or filing up a campaign bank account.

Gurney's office said the indictment involved only one count and was far a misdemeanor that carries a maximum penalty of a \$1,000 fine and one year in jail. The grand jury had been told on Friday by a grand judge John Holt that it could indict a federal official for a violation of that state law.

The Leon County grand jury reportedly issued the indictment drawn up last Friday before it received word Wednesday. The grand jury began its investigation of Gurney at the urging of Marshall Harris, a Democratic state legislator from Miami. There was no confirmation from prosecutors on Gurney's statement that he had been indicted.

"This is an unfortunate result of a vicious and unwarranted attack," Gurney said in a statement. "I am confident that the process of justice and courts will operate fairly and vindicate me of this unwarranted charge and any wrongdoing. I am absolutely innocent."

Gurney, 66, has announced he will seek reelection this year. He was first elected to the Senate in 1964 after three terms in the U.S. House.

The grand jury probe of Gurney related to

Freed By Kidnapers American ex executive Victor Samuelson, held by Argentine kidnapers for almost five months, was released yesterday in a Buenos Aires suburb. Report on Page 12A. (AP)